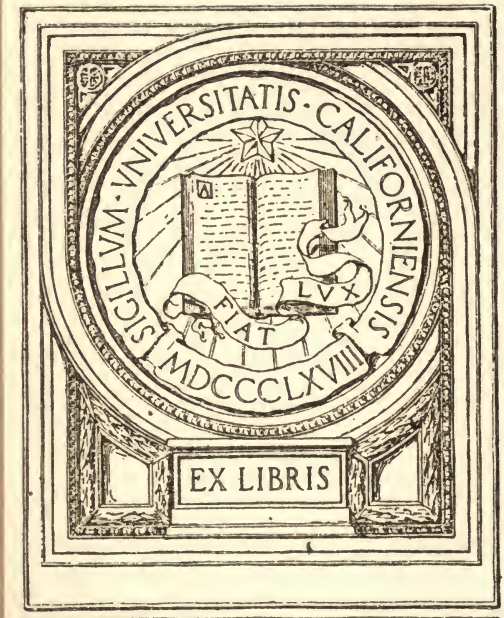
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WOODROW WILSON AS PRESIDENT

PHOTO BY EDMONSTON, WASHINGTON, D. C.

Woodrow Wilson

WOODROW WILSON

AS

PRESIDENT

BY

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INTRODUCTION

The Wilson Administration marks the end of an era. It is divided into two historic periods separated by the European War, which draws a heavy curtain between the first and the second half of his Administration. Moreover, each has been so crowded with events of vital importance to this nation as to assume the significance of a turning point in history. Therefore, the student of history will find in this period the beginnings of questions likely to occupy the public attention for generations and destined to shape the growth of our nation for all time.

In the conclusion of the old era the Wilson Administration achieved, perhaps, the most notable legislation ever enacted in an equal period of time in the history of the Congress of the United States. However, so many things have occurred since then—"the terrible swift sword" has so affected men's memories—that even those acts have been almost forgotten, except in circles affected directly by them. The reduced tariff, an

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income tax, the banished lobby, the Federal Reserve Act, the struggle through the long, hot summer against boss-rule and machine methods, the Alaska railroad, the Clayton Anti-Trust Act, another summer of intense labor, the destruction of monopoly, the Federal Trade Commission, the conservation of material and human resources—these suggest an era long removed from the present, but they are the epitome of the first eighteen months of the Wilson Administration.

The sixty-third Congress, the Long Congress, brought the old era to a close and witnessed the beginning of the new. In it will be found, standing close together, the solution of old problems and the beginnings of new issues. The student of history who recalls the vast crowds that assembled in 1912 and the fiery speeches of the leaders of that time, and contrasts the marching crowds of 1916 and the fiery speeches by the same leaders to the same people on different issues, must realize that in the meantime affairs of consequence have taken place.

A vast gulf separates 1912 and 1916. Men's thoughts have turned about; men's ideas have changed; the world is different; it is drifting on an unknown sea; seemingly impossible things are

happening daily; and no man knows into what kind of harbor the ship will at last be moored. Fortunate was it indeed for America that the issues of 1912 were really settled before the vital issues of 1916 had taken shape and dwarfed all other issues.

The European war has changed the course of history. The world has gone mad. Men stand amazed, shocked, shuddering at the fierceness of this insatiate monster which threatens a breakdown of civilization and a return to the Dark Ages.

Great men have risen among us. They are grappling heroically with the problems of the day just as did the great men in other crises of the world's history.

But how happens it that America alone of the great nations of the earth is so happily situated? Her people are free to come and go, to think and speak and act. They enjoy unbounded and unprecedented prosperity. Their nation has come to be the richest on earth. Their foreign trade is expanding as never before, itself an epoch in their history. In the twinkling of an eye they have changed from a debtor nation to a creditor nation and have become the leading bankers of the world.

In spite of the world's turmoil, they have had leisure in calmness and with deliberation to settle their internal affairs and to mitigate the evils which menace the processes of their own development.

Notwithstanding these favors, new issues have arisen as a result of the great war that are now pressing heavily for solution. "America First" is a watchword with which to stir the patriotism of the people. "The melting-pot" is a symbol that tells of our composite character in a time of "civil war by proxy." "Pan Americanism" speaks of a new continental policy. "Preparedness"—military preparedness, commercial preparedness, industrial preparedness, and educational preparedness suggest other problems that this war has brought to us for solution.

Woodrow Wilson, the President, is guiding this nation across the gulf that separates the past from the future. He has established a marvelous leadership and has become one of the world's great figures within the brief span of four years. But how did he reach this fine eminence?

He laid his hand upon monopoly, and it surrendered its power. He drove invisible government out of Washington and enthroned the

people's representatives as sovereign in the Nation's capital. And when the old era died and the new appeared, a revitalized democracy faced the future.

He called to Europe when the mad nations had slipped their cables and sanity returned. He stretched his hand to the Latin-American republics and they grasped it in an hour of peril and the two continents became friends. He stood by the prostrate form of Mexico, her silent friend, and waited patiently for the re-birth of constitutional government. He kept "America First" aflame in the hearts of patriots and partisans until hatred was consumed and America, "the melting-pot of nations," was prepared to meet the crises of this new era.

Such is the story that runs through these chapters.

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Woodrow Wilson as President

PART I

CHAPTER I

A NEW CHAMPION OF THE PEOPLE APPEARS

Politics in the year 1912 was staged with all the elements of the melodrama. Big Business was the villain; the people's representatives were crying for relief; the star players, who were ready to lead the reform with the zeal of a crusader, were coming to the front for a round of applause; and from the anterooms the crafty agents of the villain were conning their parts in a whispered monotone. Nor was the drama wanting in the elements of the tragic and the comic. Big Business was accused of hideous crimes and convicted of many. But perhaps its most objectionable feature was its size and the way it supported its weight, which, like the corpulency of Sir John Falstaff, was a ludicrous handicap to the progress of the drama. However, when the curtain arose, Big Business, terrified by the confusion resulting from a clamor of accusations and from the assaults of the plumed knights, could have exclaimed, in the language of the fat comedian, "It

were better to be eaten to death with a rust than to be scoured to nothing with perpetual motion."

But here the analogy must end. The issues of the year were too real to be staged, and the unremedied wrongs too tragic to be used for an evening's entertainment. All the strength of the old-time political parties was accumulating to fight one great evil, and the campaign for the Presidency was turning on one issue—human rights against material rights. This problem embraced the questions of monopoly, of special privilege, of governmental policy, and of the rights of a free people. But these are trite and time-worn phrases which for a generation have been rolled like sweet morsels by friend and foe of liberty; and even in very remote townships they have served in the absence of a real local issue to elect a township constable as well as to defeat a great leader for the Presidency.

So long had the evils of monopoly been growing in the nation, and so long have these terms of abuse been employed, that they had grown smooth from the abrasion of perpetual use. Therefore, when the campaign of 1912 opened, they had almost ceased to convey an idea to many minds, and their chief value seemed to be to enable the historian or the political economist to trace the decline of political freedom.

However, one corporation after another had been brought before the bar of justice and stories of real or imagined wrongs had been trailed through the press

of the country so long that the conviction that Big Business was dishonest and unscrupulous, deepened with a feeling of distrust and even of hatred. Throughout the nation, therefore, there was such a deep-seated hostility to it that, in many sections of the country, if a large corporation went into the courts with a case that was at all doubtful, it was almost impossible to secure from a jury a verdict in its favor. Thus the people at large had formed a habit of mind that was instinctively hostile to great wealth.

On the other hand, Big Business had formed the habit of looking to the Government for protection—protection from the people, protection from competition, protection from interference. The close relationship between the national government and large private interests due to protection gave the impression that America was ruled by an oligarchy composed of the captains of industry. In order to protect themselves, while the spirit of unrest was growing, the business of the country became so interlaced that the larger industrial life stood like a house of cards propped together, the good and the bad, and when the government attacked one, it appeared to be attacking all. Therefore, it seemed that the government had to protect all or disturb all, for to destroy bad business threatened disaster throughout the country.

Privilege in one form or another had grown very complex, very pervasive, and could be seen cropping

out everywhere. It had, in fact, woven itself into every part of our political life, and many thinking people had come honestly to the conclusion that such a relationship was natural and that whoever disturbed it was an enemy to good government. However, there were many men, even among the captains of industry, who were profoundly concerned over this relationship, this dependence of business upon governmental protection, and this interlocking and interlacing of interests. Moreover, the plain people, the great middle class, who were not members of these gigantic concerns, and who never asked the government for any right save to live their lives in a free country, had felt for a generation that injustice was at work in the nation, since Big Business did not owe its existence nor its large profits primarily to increasing efficiency, but to the control of the market through the destruction of competition. Thoughtful men in both parties were aware of these evils. Moreover, it was pointed out, time after time, that the art of making a living must be protected more and more effectively, and the only thing that can guarantee the progress of the race is competition, or cooperation that does not destroy competition.

As the summer of 1912 was approaching, when the political parties were to select their candidates for the Presidency, the issue was reduced almost to this simple proposition—monopoly must be destroyed and com-

petition restored. But monopoly had grown up under the protection of the government, although the officers of the government all had been avowed enemies of special privilege. This was the anomalous and very extraordinary condition, the Gordian knot that the nation —Big Business as well as the people at large—desired to see cut. But it was a Herculean task that confronted the political parties, and the people everywhere were asking this question, Would a champion come forth who could command the strength to win?

The people had struggled for twenty years against trusts and monopolies, and they were now calling for a leader, a man of wisdom and integrity and power. And it mattered little from what political party he should come.

There were two great national leaders in the fulness of their power, and to them, more than to any others, the nation looked for guidance in the matter—one was William Jennings Bryan, a Democrat; and the other was Theodore Roosevelt, a Republican.

Mr. Bryan had been nominated for the Presidency of the United States three times and three times had been defeated; yet his leadership remained. He seemed to thrive on defeat. However, after his first defeat in 1896 he established a newspaper. From that and from the proceeds of his lectures he provided himself with freedom of action to go anywhere at any time and address the people on the issues of the day. The most

brilliant orator of his generation, he attracted great audiences wherever he spoke, and he went everywhere —he knew everybody and everybody knew him. He was the King of Chautauqua platforms. He possessed wonderful physical vitality and seemed never to tire. For sixteen years he had voiced the unrest of the nation, and there was no doubt that he felt as the people felt. He knew that something was wrong, and he spoke his feelings in such terms as to stir his audience wherever he went. In this way he contributed powerfully to arousing the people to a sense of their wrongs.

Theodore Roosevelt had been President of the United States for seven years. During his occupancy of that office his sayings and his doings continually held popular interest, and he, too, with the prestige of his high office giving force to his speeches, proclaimed that things were wrong. He was so powerful that he had not only been re-elected for a second term, but he had dictated the nomination of his successor, taken from his own cabinet, and had materially assisted in the election which followed. He was gifted with marvelous political sagacity, and he had the prestige of never having been beaten. He had contributed greatly to the spread of progressive ideas, and the full force of his dramatic personality was thrown into the campaign for the Presidency.

Mr. Roosevelt and Mr. Bryan were the antithesis of each other. What the one was the other was not, and

willingly they agreed on nothing; yet each knew that something was wrong. They agreed as to many of the things that were wrong, but they differed fundamentally as to how to remedy the wrong. The year 1912 found both of them private citizens, and yet they were the two most powerful men in the nation because of their influence with the people.

All the forces of reform seemed to gather headway as the great national conventions of 1912 began to take shape, and striking scenes were witnessed. Mr. Roosevelt fought Big Business in the Republican party, but he was beaten in the Chicago Convention amidst the most dramatic scenes. He withdrew from the party, organized a third party, became its candidate for the Presidency, and began one of the most spectacular campaigns in the history of the Republic.

President Taft was renominated by the Republican party; but he was not a great leader. Neither his honesty, his patriotism, nor his ability was seriously questioned. But, when he was in the wrong, he did not have the adroitness to make his cause appear the better, and when he was in the right, he did not have the power to evoke popular support. He was characterized as "a very poor politician, with no instinct for reading the signs of the times or for discharging the high duties of his office in a way to arouse enthusiasm for inspiring leadership."

Scarcely had the echoes of the Republican convention

at Chicago died away when the struggle was renewed in the Democratic convention at Baltimore. There Mr. Bryan fought Big Business amidst scenes not less exciting than those at Chicago. As the contest continued and the agents of monopoly appeared more active, Mr. Bryan, in a dramatic attack on what seemed to be the attempt of Big Business to control the nomination, withdrew his support from one candidate and threw the weight of his great influence to a less favored son in the convention, and Governor Woodrow Wilson, of New Jersey, was nominated. Thus was ushered into the limelight a third great personality.

The Democratic nominee was referred to as "the scholar in politics." He had been a teacher of history and political economy, and had won distinction as an interpreter of modern sociological and political problems and institutions. Moreover, he was a recognized writer of force, and his books on government were widely used both in Europe and America. The teacher and writer became president of Princeton University in 1902, but his executive duties did not deter him from discussing political problems, and in the period from 1902 to 1910 while Mr. Bryan and Mr. Roosevelt were active in politics, Mr. Wilson was analyzing for the nation the problems of government and pointing to definite solutions.

But he did not enter politics until 1907, when his friends in New Jersey brought him out as a candidate

for the United States Senate. Three years later (1910) he was nominated for Governor. Only his most enthusiastic friends believed he could be elected. New Jersey had been under Republican rule, and for the most of that time under boss rule of the most distinct type. However, Mr. Wilson took the stump and at once loomed large as a political campaigner. His speeches were so effective that he rapidly obtained a large following. Metropolitan newspapers featured his addresses. He was again the interpreter of political institutions and in his own state he had a concrete illustration of private control of political institutions and the loss of individual freedom and initiative. He was elected, and this remarkable achievement made him a Presidential possibility, and in 1912 he was nominated for the Presidency by the Democratic convention.

The three parties introduced their respective chiefs to the nation, compiled their platforms and came before the people, each asking for the election of its candidate. Each asserted emphatically that monopoly should be destroyed, and that in order to make the destruction natural as well as complete, the cause of monopolies should be removed. But men could not agree as to the cause of monopoly. Was the protective tariff the leading cause? That was the question. Mr. Taft, the candidate of the Republican party, said he was pledged in the Republican platform to "maintain a degree of protection." Mr. Wilson was opposed to

all forms of protection. But Mr. Roosevelt's position was not so clear. He said, "We believe in a tariff for labor—a tariff to help our wage workers."

Were monopoly and trusts the result, in part, of our currency laws? The Republican platform declared that "our banking arrangements today need further revision to meet the requirement of current conditions." The Democratic party said that the nation should be freed "from control or dominion by what is known as the money trust. Banks exist for the accommodation of the public, and not for the control of business," and all legislation should provide "absolute security to the public and complete protection from the misuse of the power given to those who possess it." The Progressives declared that "the present method of issuing notes through private agencies is harmful and unscientific."

However, the complaint against our banking laws extended beyond the bounds of political parties. There was considerable difference of opinion among the bankers themselves. The American Bankers' Association in convention at Detroit declared "that this Association will cooperate with any and all people in devising a financial system for this country which will place us on a par with other great commercial and competing nations; a system which shall give to the American people of all classes and conditions the financial facilities and industrial advantages to which they are entitled."

Was there anything inherently wrong in the organization of business? All parties agreed that there was, and the indictments under the Sherman anti-trust law were convincing to the nation. Moreover, Big Business, being "scoured to nothing with perpetual motion," was asking for relief, for surcease from agitation and for a clear cut road to public favor. Who could give it; Mr. Roosevelt and the Progressives, Mr. Taft and the Republicans, or Mr. Wilson and the Democrats?

The eyes of the nation soon became fixed on two of the candidates—on Theodore Roosevelt, because of his spectacular fight against the Republican party; and on Woodrow Wilson, because of the extraordinary chain of events that had produced his nomination. The Democratic party, notwithstanding the great convention fight, was more united that it had been since 1896. People everywhere were talking about "Wilson luck." He was nominated in the face of machine politics and the money interests. Even Mr. Roosevelt had praised him highly, not suspecting for a moment he could be nominated. He appeared before the nation at a time when the Republican party was hopelessly divided. Even in the councils of his party, objectionable men withdrew and left the management in the hands of his friends, and opposition within the Democratic party seemed to fade away without a protest. Then came the news from Sea Girt, his summer home, that he would conduct his campaign for election without the

aid of the National Committeemen. "Remarkable man!" they said. And many non-Calvinists really hoped there was something in predestination.

The office of President has become much more complicated than it used to be; and, since it was a probability that Mr. Wilson would be elected if the split in the Republican party continued, men all over the world were wondering and asking one another what constructive qualities he possessed and what power of resistance he had. His "Essays on Government" were reread, his books of history became popular at once, his characterizations of American statesmen were appraised, and his political theories were growing in popularity. A new leader, indeed, had appeared.

CHAPTER II

AN UNTRIED LEADER IS CHOSEN

The campaign of 1912 was unique. Party control was weak and machine politics were mechanical and unnatural. The management of the campaign was in the hands of young men; the press bureau rose into prominence; and a direct appeal to the people took the place of the "inside room" conference.

On August 7 Governor Wilson was formally notified that he was the choice of the Democratic party for the presidency of the United States. He had remained silent since his nomination. But on this occasion party leaders signaled to him to come forth from his temporary retirement and speak to the nation. And he came forth, the man in action, to translate his political philosophy, seasoned with mature thought, into a new freedom for the American people.

It was a part of Mr. Wilson's temperament as well as his philosophy to hold steadfastly to a small body of clear cut doctrines, the central idea of which was the great issue already before the people—the doctrine that government should have nothing to do with special privilege. His speech of acceptance was received by the people as a fine product of a public

man of right convictions. Its greatest significance, it was said at the time of its utterance, lies in its appeal "for the emancipation of our public life from its domination by private interests and by a class of men who are in politics for their own personal benefit."

"We stand," he said, "in the presence of an awakened Nation, impatient of partisan make-believe. The public man who does not realize the fact and feel its stimulation must be singularly unsusceptible to the influences that stir in every quarter about him. The Nation has awakened to a sense of neglected ideals and neglected duties; to a consciousness that the rank and file of her people find life very hard to sustain, that her young men find opportunity embarrassed, and that her older men find business difficult to renew and maintain because of circumstances of privilege and private advantage which have interlaced their subtle threads throughout almost every part of the framework of our present law. She has awakened to the knowledge that she has lost certain cherished liberties and has wasted priceless resources which she had solemnly undertaken to hold in trust for posterity and for all mankind; and to the conviction that she stands confronted with an occasion for constructive statesmanship

such as has not arisen since the great days in which her Government was set up."

He called the nation to witness that a new age was at hand, regardless of which candidate was elected. The suspicion and mistrust and confusion, he argued, all warned those in authority and those who worked to be placed in authority that we were on the divide and governmental process of the future would never again be the same as those of the past. Then he asked, "What is there to do?"

"It is hard to sum up the great task, but apparently this is the sum of the matter: There are two great things to do. One is to set up the rule of justice and of right in such matters as the tariff, the regulation of the trusts, and the prevention of monopoly, the adaptation of our banking and currency laws to the various uses to which our people must put them, the treatment of those who do the daily labor in our factories and mines and throughout all our great commercial and industrial undertakings, and the political life of the people of the Philippines, for whom we hold governmental power in trust, for their service, not our own. The other, the additional duty, is the great task of protecting our people and our

resources and of keeping open to the whole people the doors of opportunity through which they must, generation by generation, pass if they are to make conquest of their fortunes in health, in freedom, in peace, and in contentment. In the performance of this second duty we are face to face with questions of conservation and of development, questions of forests and water powers and mines and waterways, of the building of an adequate merchant marine, and the opening of every highway and facility and the setting up of every safeguard needed by a great, industrious, expanding nation.

"These are all great matters on which everybody should be heard. We have got into trouble in recent years chiefly because these large things, which ought to have been handled by taking counsel with as large a number of people as possible, because they touched every interest and the life of every class and region, have in fact been too often handled in private conference. They have been settled by very small, and often deliberately exclusive, groups of men who undertook to speak for the whole nation, or rather for themselves in the terms of the whole nation—very honestly it may be true, but very ignorantly sometimes, and very shortsightedly, too—a poor substitute for

genuine common counsel. No group of directors, economic or political, can speak for a people. They have neither the point of view nor the knowledge. Our difficulty is not that wicked and designing men have plotted against us, but that our common affairs have been determined upon too narrow a view, and by too private an initiative. Our task is now to effect a great readjustment and get the forces of the whole people once more into play. We need no revolution; we need no excited change; we need only a new point of view and a new method and spirit of counsel."

It was a part of Mr. Wilson's philosophy that the proper point of view is obtained not from the cloistered library nor from the "inside room" of political managers, but from taking counsel with the body of the nation. Therefore, in closing his address, he announced with refreshing frankness a new policy that would be inaugurated if he should become President.

"No man can be just who is not free," he said, "and no man who has to show favor ought to undertake the solemn responsibility of government, in any rank or post whatever, least of all in the supreme post of President of the United States.

"To be free is not necessarily to be wise. But wisdom comes with counsel, with the frank and free conference of untrammeled men united in the common interest. Should I be entrusted with the great office of President, I would seek counsel wherever it could be had upon free terms. I know the temper of the great convention which nominated me; I know the temper of the country which lay back of that convention and spoke through it. I heed with deep thankfulness the message you bring me from it. I feel that I am surrounded by men whose principles and ambitions are those of true servants of the people. I thank God, and will take courage."

This address became, of course, a campaign document, and as such it was a mark for the critics. It was considered by some as "intensely radical," and by others as "unduly conservative." But it was received in the main as a "legitimate political discussion, upon a high plane," and the press was almost unanimous in its praise. Mr. Wilson was calling for a great readjustment—a judgment day that the nation feared. Yet all the time it was becoming clearer that the readjustment must come. Could this man who had been in political life only two years bring "the forces of the whole people once more into play?"

It was an unusual campaign. The Democratic leader and the Democratic policies received a minimum of criticism. The great fight was between the two Republican factions. While the political leaders of the old Republican party were fighting each other with the bitterness of a domestic row or a church feud, Woodrow Wilson was moving toward the Presidency with the Democratic party behind him. His campaign was conducted with personal tact and dignity. Nowhere was he a popular idol, but his personality kept increasing its hold upon the public, which at first thought of him in his academic capacity. But he had been too long before the American people as a writer and speaker and he had too many defenders in the nation for his detractors to ridicule him out of the race. It was said in his defense that "as an administrator he has carried on the affairs of a great university, a position which in our country trains for governmental administration better than almost any other kind of experience," and the dignity and importance of the educational executive was increased. Furthermore, it was declared that "as Governor of New Jersey, he has shown that he can meet the exigencies of political parties with firmness and upon high ground," and his candidacy was strengthened.

Throughout the campaign his political opponents naturally did their best to find debating ground against his views as expressed from time to time. But, at the

conclusion, it was declared even by his generous adversaries that "he kept an admirable poise and temper, talked generalities in a charming manner, and found himself on good terms with everybody at the end of his campaign." Since his election, Mr. Wilson's campaign addresses have been collected, rearranged, and published under the title of "The New Freedom." But throughout the campaign he held the attention of the nation to one central issue: "Private monopoly is indefensible and intolerable," and the causes of monopoly—the protective tariff, our centralized currency, and our inadequate anti-trust laws—must be removed.

It was a remarkable campaign. In the first place, the country was in a prosperous condition. The largest and most profitable harvest in history was at hand. Labor was unusually well employed. The iron output was the largest in history, and the money market was unusually strong. This was certainly not a good year for the political agitator. But it was an opportune time to call attention in an unimpassioned way to a fundamental weakness in the nation and to take careful steps to remedy the defect before a period of depression should make an opening for the agitator. Therefore, as a result of the greatest campaign since the slavery controversy, the nation was bound to profit, regardless of who was elected. And Mr. Wilson was right—a new era was at hand.

As the campaign came to a close, Mr. Wilson's election was predicted, but the outcome was by no means certain. Many declared that it was altogether probable that there would be no election and that the next President would be selected by the House of Representatives. It was a season when machine methods would not work, and machine estimates were unreliable. Therefore, the nation was prepared to accept without much comment the election of any of the three candidates.

After sixteen years of protesting, the Democratic party was again entrusted with the destiny of the nation, and Woodrow Wilson, the teacher and philosopher, saw a nation in confusion crown him with authority to lead it back into paths of right and justice and freedom.

There was, of course, unrestrained joy over the results. The enthusiasts were wild and referred to the "victory" as a "great revolution" with the Republican party fallen "into a heap of shapeless ruin." However, Mr. Wilson, the President-elect, was too wise to be deceived by the size of the electoral vote.

"I want everybody to realize that I was not taken in by the results of the last national election," he said. "It was impossible for it to go Republican, because it couldn't tell which kind of Republican to go. The only united, helpful instru-

ment with which it could accomplish its purpose was the Democratic party, and what it did was to say this:

"'There are certain things that we want to see done, not certain persons whom we want to see elevated; there are certain things we want to see administered. This great United States can no longer be controlled by special interests. Now we are going to try the Democratic party as our instrument to discover these things. If the try is not successful, we will never make it again. We want an instrument in our hands by which we can be masters of our own affairs. It looks likely that this is a suitable and representative instrument; therefore, we will try it.'"

It had become a political habit to discuss and abuse monopoly in the midst of a great campaign. But even after the November election, the question would not down as usual. When the last session of the Sixty-second Congress convened in December, the Pujo investigating committee seemed determined to prove that a consciously constructed "money trust" did exist, which had the power of life and death over the financial world. Such activity could not be for campaign purposes, because the campaign was over.

This committee was giving the nation one sensation

after another. Heads of great corporations were called to Washington and testified concerning the methods of great corporations, and it was said that business was panicky and Wall Street was having "an attack of nerves." Although the existence of a money trust was not entirely proved, it was shown that a gigantic concentration of money power did exist and with it a very large control over banking credit. This evil, it was said, was due to our antiquated and inadequate banking laws. Even some of the leading bankers of the country testified that "concentration to the point it has gone is a menace," and that if the power resulting from this concentration should fall into "good hands, I do not see that it would do any harm; but if it got into bad hands, it would be very bad."

The next question uppermost in the minds of the people was, What effect will these disclosures have on President-elect Wilson, who is a man of "great attainments and high character?" His closest friends advised the nation that honest business would have nothing to fear from him since, "He works in the open. His task is done within sight and sound of the people. There can be no invisible government. He has often said that what he did as Governor of New Jersey was to create a situation wherein men were free to act and work openly." But the situation in Washington had been so different, it was declared, that the honest

people "down home" could not even understand the official language of the Capitol.

It is quite probable, therefore, that so much concern for the future had not been felt since the election of Abraham Lincoln, and any public utterance by the President-elect would naturally be subjected to the closest scrutiny. He remained silent until the last of December. In the meantime, the Pujo committee had been at work and business was declaring that "times look bad." Mr. Wilson was back in the land of his birth, in Staunton, Virginia. There he declared again the principles that should guide him in his administration. He called attention to the fact that the 20th century is very much like the beginning of the 19th century, and that we have come back to the fundamental question of that period—the relation of governments to humanity, and continuing, he said:

"We are learning again that the service of humanity is the best business of mankind, and that the business of mankind must be set forward by the government which mankind sets up, in order that justice may be done and mercy not forgotten. All the world, I say, is turning now, as never before, to this conception of the elevation of humanity, not of the preferred few, not of those who can by superior wit or unusual opportunity

struggle to the top, no matter whom they trample under feet, but of men who cannot struggle to the top and who must, therefore, be looked to by the forces of society, for they have no single force by which they can serve themselves.

"There must be heart in a government and in the policies of the government. And men must look to it, that they do unto others as they would have others do unto them. This has long been the theme of the discourses of Christian ministers, but it has not come to be part of the bounden duties of Ministers of State.

"This is the solemnity that comes upon a man when he knows that he is about to be clothed with the responsibilities of a great office, in which will center part of the example which America shall set to the world itself. Do you suppose that that gives a man a very light hearted Christmas? I could pick out some gentlemen, not confined to one state—gentlemen likely to be associated with the government of the United States—who have not yet had it dawned upon their intelligence what it is that Government is set up to do. There are men who will have to be mastered in order that they shall be made the instruments of justice and mercy."

He declared that the task ahead was not a "rose-water affair," that there must be some good hard fighting in order that we may achieve the things that we have set out to achieve. He then hurled a challenge to Big Business that sent a thrill throughout the business world.

"The word that stands at the center of what has to be done is a very interesting word indeed. It has hitherto been supposed to be a word of charity, a word of philanthropy, a word which has to do with the operations of the human heart, rather than with the operations of the human mind. I mean the word 'service.' The one thing that the business men of the United States are now discovering, some of them for themselves, and some of them by suggestion, is that they are not going to be allowed to make any money except for a *quid pro quo,* that they must render a service or get nothing, and that in the regulation of business the government, that is to say, the moral judgment of the majority must determine whether what they are doing is a service or not a service, and that everything in business and politics is going to be reduced to the standard. 'Are you giving anything to society when you want to take

anything out of society?' is the question to put to them.''

The nation read with eagerness that address the next morning. The Pujo Committee was still at work, and there was a panicky feeling along the arteries of business. Editorials larger, yes much larger, than the address appeared. They referred to his ''service of humanity'' as being somewhat platitudinous. But his reference to Big Business and the necessity for a *quid pro quo* made this paternalistic government shiver, and Jefferson was quoted to prove that democracy and government had had nothing to do with this *quid pro quo.* It was said that Mr. Wilson would have so many duties to perform—''the plain, old-fashioned, needful things he will be called upon to do, we are inclined to think, that the realization of the 'vision splendid' by which he at present 'moves attended' may easily be—and probably will have to be—for a considerable time postponed.'' But one thing was admitted, Mr. Wilson spoke very clearly and distinctly, and when he reduced his thoughts to writing, he did use very good English. It was so simple that the plain man could understand it, and the nation would soon learn his theories if he wrote and spoke enough. It did not have to wait long for another word from him.

In January, 1913, the President-elect entered the very heart of the Big Business district and spoke

to the Commercial Club of Chicago. "I came," he said, "to ask your counsel and assistance." It was very clear, therefore, that Big Business must really reckon with this educationist who believed in "right and justice," and the Golden Rule. He called their attention to an "inner circle," and to a banking system "that had already been convicted." They were already acquainted with the Pujo committee. He reminded the Club that the business future of this country does not depend on the Government of the United States. "The Government," he said, "cannot build a temper, it cannot generate thought and purpose. Things done under the whip of the law are done sullenly, somewhat reluctantly, and never successfully. I want to take sternness out of the country. I want to see suspicion dissipated."

This Commercial Club, however, seemed to be unable to follow him. But he was determined to be understood, and he continued:

"I want to see the time brought about when the rank and file of the citizens of the United States who have a stern attitude toward the business men of the country shall be absolutely done away with and forgotten. Perfectly honest men are now at a disadvantage in America because business methods in general are not trusted by the people,

taken as a whole. That is unjust to you, it is unjust to everybody with whom business deals and everybody whom business touches.

"In the United States they do not believe—I mean the rank and file of our people do not believe—that men of every kind are upon an equality in their access to the resources of the country, any more than they believe that everybody is upon equal terms in his access to the justice of the country. It is believed in this country that a poor man has less chance to get justice administered to him than a rich man. God forbid that that should be generally true."

These remarks were appreciated and applauded. But, when the President-elect suggested his remedy, that "we must see to it that the business of the United States is set absolutely free of every feature of monopoly," the business men gave him a stare and did not respond.

Here Governor Wilson paused, looked around the banquet room, and then added:

"I notice you do not applaud that. I am somewhat disappointed because unless you feel that way the thing is not going to happen except by

duress, which is the worst way to bring anything about, because there will be monopoly in this country until there are no important business men who do not intend to bring it about. I know that when they are talking about that, they say there is not anybody in the United States who ever intended to set up a monopoly. But I know there are some gentlemen who did deliberately go about to set up monopoly. We know that they intended to do it because they did it.

"I don't care how big a particular business gets provided it grows big in contact with sharp competition, and I know that a business based upon genuine capital which has not a drop of water in it can be conducted with greater efficiency and economy than a business that is loaded with water."

The morning after this address the stock market was again unsteady and business was not so good. But what had the President-elect really said? There are dishonest men in business, people do not believe that they can get justice, business relies too much on government, monopolies must go. A few days later he spoke in Trenton, New Jersey, and again his "attack on business" was disconcerting. Now, the very fact that business became excited was either a proof that the

newly elected President was right, or this Calvinist might have some blue laws up his sleeve which he expected to enforce later. The press of the country was somewhat severe in its criticism of these speeches, and for several days the business of the country seemed to be very much alarmed. It was even reported that his utterances were about to produce a panic. One may reread the above addresses today and smile at the uneasy state produced by such utterances. However, the panicky feeling was so perceptible that Mr. Wilson's secretary felt called upon to issue the following statement:

"Attempts are being made to make an issue of Governor Wilson's speech at Chicago. This is nothing less than amusing. Governor Wilson's attitude on business and its relations to government, as expressed in his several speeches since election, is, as any well informed person in the country would testify, exactly the same as his attitude before his nomination and before his election.

"Every word that Governor Wilson has uttered is in complete harmony with the principles to which he has strictly adhered throughout his public career. If there is any surprise in this attitude, it can be manifested only by those who fail to realize that the country has elected to the Presidency an honest and fearless man who means exactly what he says."

The panic existed only in the newspapers of the

country. But it was discovered that Big Business was was preparing to declare war on the new administration. That was natural. It was what might have been expected. However, as the date for the inauguration approached, Governor Wilson's speeches became less specific, and more editorial lines were devoted to his character and integrity. His policies were clearly outlined. He had settled convictions on the tariff, on currency reform, and on anti-trust legislation. Beyond this, he spoke in general terms, and he came up to the fourth of March with a determination to correct these three evils.

The agitation period had passed, and the constructive period had begun. His speech, accepting the nomination, gave his analysis of conditions as they existed and his remedies for righting the wrongs from which the people suffered, and within less than two years after the assembling of his first Congress, these remedies had been written into law. **Seldom in political history has the nation witnessed such a conjunction of promise and performance. To study what he promised to do, what he did do, and how he did it, constitutes a complete exposition of the processes of the Executive and Legislative Departments of government in America; consequently, aside from the significance of the laws themselves, this period of President Wilson's administration will always be of engrossing interest to students of history.**

CHAPTER III

INAUGURATING THE NEW REGIMÉ

A great President is made in the White House. No previous training is so complete, no knowledge is so comprehensive, and no experience has so functioned under the pressure of that peculiar responsibility as to enable even those gifted with a sense of prophecy to foretell with any degree of certainty the successes or failures of a new Executive. The nation had been deeply stirred by the great campaign which had elevated Woodrow Wilson to the Presidency, and after the heat of the contest and after the people had had the opportunity to take a calm view of the situation, men everywhere were asking this one question: What kind of President would be born in the White House on March 4, 1913?

The Democratic party had been a protesting body for twenty years—protesting against the policies of the Republican party, which had been the official policies of the nation. It had formed the protesting habit, which seemed to be its chief function and its main excuse for existing. But its protests had, at last, become the adopted policies of the nation; and, in a period of apparent national prosperity, this significant trans-

formation had taken place. It was quite evident, therefore, that a new era was at hand, but its full meaning was distressingly obscure, and a feeling of pessimism pervaded the country where, heretofore, special privilege, secure under the protection of the government, was so buoyant and optimistic. What did the change mean? Was the judgment day at hand?

It was the fourth of March, 1913, that the business of America dreaded. But the day was at hand. An immense throng had gathered around the Capitol to see the old party, that had been in continuous power since the overthrow of slavery (with the exception of two short intervals), turn the government over to the party that had had so little voice in the government of the nation for a half century. But what did it all mean?

The new-found leader took the oath to support the Constitution, and turning to the great out-of-doors and speaking to the people of the United States, he declared that he would answer the question "that is uppermost in our minds today."

"There has been a change of government. It began two years ago, when the House of Representatives became Democratic by a decisive majority. It has now been completed. The Senate about to assemble will also be Democratic. The offices of President and Vice-President have been put into

the hands of Democrats. What does the change mean? That is the question that is uppermost in our minds today. That is the question I am going to try to answer, if I may, in order to interpret the occasion.

"It means much more than the mere success of a party. The success of a party means little except when the nation is using that party for a large and definite purpose. No one can mistake the purpose for which the nation now seeks to use the Democratic party. It seeks to use it to interpret a change in its own plans and point of view. Some old things with which we had grown familiar, and which had begun to creep into the very habit of our thought and of our lives, have altered their aspect as we have latterly looked critically upon them with fresh awakened eyes; have dropped their disguises and shown themselves alien and sinister. Some new things, as we look frankly upon them, willing to comprehend their real character, have come to assume the aspect of things long believed in and familiar, stuff of our own convictions. We have been refreshed by a new insight into our own life.

"We see that in many things that life is very great. It is incomparably great in its material

aspects, in its body of wealth, in the diversity and sweep of its energy, and in the industries which have been conceived and built up by the genius of individual men and the limitless enterprise of groups of men. It is great, also, very great, in its moral force. Nowhere else in the world have noble men and women exhibited in more striking forms the beauty and the energy of sympathy and of helpfulness and counsel in their efforts to rectify wrong, alleviate suffering, and set the weak in the way of strength and hope. We have built up, moreover, a great system of government, which has stood through a long age as in many respects a model for those who seek to set liberty upon foundations that will endure against fortuitous change, against storm and accident. Our life contains every great thing, and contains it in rich abundance.

"But the evil has come with the good, and much fine gold has been corroded. With riches has come inexcusable waste. We have squandered a great part of what we might have used, and have not stopped to conserve the exceeding bounty of nature, without which our genius for enterprise would have been worthless and impotent, scorning to be careful, shamefully prodigal as well as

admirably efficient. We have been proud of our industrial achievements, but we have not hitherto stopped thoughtfully enough to count the human cost, the cost of lives snuffed out, of energies overtaxed and broken, the fearful physical and spiritual cost to the men and women and children upon whom the dead weight and burden of it all has fallen pitilessly the years through. The groans and agony of it all had not yet reached our ears, the solemn, moving undertone of our life, coming up out of the mines and factories and out of every home where the struggle had its intimate and familiar seat. With the great Government went many deep secret things which we too long delayed to look into and scrutinize with candid, fearless eyes. The great Government we loved has too often been made use of for private and selfish purposes, and those who used it had forgotten the people.

"At last a vision has been vouchsafed us of our life as a whole. We see the bad with the good, the debased and decadent with the sound and vital. With this vision we approach new affairs. Our duty is to cleanse, to reconsider, to restore, to correct the evil without impairing the good, to purify and humanize every process of our common

life without weakening or sentimentalizing it. There has been something crude and heartless and unfeeling in our haste to succeed and be great. Our thought has been, 'Let every man look out for himself, let every generation look out for itself,' while we reared giant machinery which made it impossible that any, but those who stood at the levers of control should have a chance to look out for themselves. We had not forgotten our morals. We remembered well enough that we had set up a policy which was meant to serve the humblest as well as the most powerful, with an eye single to the standards of justice and fair play, and remembered it with pride. But we were very heedless and in a hurry to be great.

"We have come now to the sober second thought. The scales of heedlessness have fallen from our eyes. We have made up our minds to square every process of our national life again with the standards we so proudly set up at the beginning, and have always carried at our hearts. Our work is a work of restoration.

"We have itemized with some degree of particularity the things that ought to be altered, and here are some of the chief items: A tariff which cuts us off from our proper part in the commerce

of the world, violates the just principles of taxation, and makes the Government a facile instrument in the hands of private interests; a banking and currency system based upon the necessity of the Government to sell its bonds fifty years ago and perfectly adapted to concentrating cash and restricting credits; an industrial system, which, take it on all sides, financial as well as administrative, holds capital in leading strings, restricts the liberties and limits the opportunities of labor, and exploits without renewing or conserving the natural resources of the country; a body of agricultural activities never yet given the efficiency of great business undertakings or served as it should be through the instrumentality of sciences taken directly to the farm, or afforded the facilities of credit best suited to its practical needs; water courses undeveloped; waste places unreclaimed; forests untended, fast disappearing without plan or prospect of renewal; unregarded waste heaps at every mine. We have studied as perhaps no other nation has the most effective means of production, but we have not studied cost or economy as we should either as organizers of industry, as statesmen, or as individuals.

"Nor have we studied and perfected the means

by which government may be put at the service of humanity, in safeguarding the health of the nation, the health of its men and its women and its children, as well as their rights in the struggle for existence. This is no sentimental duty. The firm basis of government is justice, not pity. These are matters of justice. There can be no equality of opportunity, the first essential of justice in the body politic, if men and women and children be not shielded in their lives, their very vitality, from the consequences of great industrial and social processes which they cannot alter, control, or singly cope with. Society must see to it that it does not itself crush or weaken or damage its own constituent parts. The first duty of law is to keep sound the society it serves. Sanitary laws, pure-food laws, and laws determining conditions of labor which individuals are powerless to determine for themselves are intimate parts of the very business of justice and legal efficiency.

"These are some of the things that we ought to do, and not leave the others undone, the old-fashioned, never-to-be-neglected fundamental safeguarding of property and of individual right. This is the high enterprise of the new day: To lift everything that concerns our life as a nation to the

light that shines from the hearth fire of every man's conscience and vision of the right. It is inconceivable that we should do this as partisans; it is inconceivable that we should do it in ignorance of the facts as they are or in blind haste. We shall restore, not destroy. We shall deal with our economic system as it is, and as it may be modified, not as it might be if we had a clean sheet of paper to write upon; and step by step we shall make it what it should be, in the spirit of those who question their own wisdom and seek counsel and knowledge, not shallow self-satisfaction or the excitement of excursion whither they cannot tell. Justice, and only justice, shall always be our motto.

"And yet it will be no cool process of mere science. The nation has been deeply stirred, stirred by a solemn passion, stirred by the knowledge of wrong, of ideals lost, of government too often debauched and made an instrument of evil. The feelings with which we face this new age of right and opportunity sweep across our heartstrings like some air out of God's own presence, where justice and mercy are reconciled and the judge and the brother are one. We know our task to be no mere task of politics, but a task which

shall search us through and through, whether we be able to understand our time and the need of our people, whether we be indeed their spokesmen and interpreters, whether we have the pure heart to comprehend and the rectified will to choose our high course of action.

"This is not a day of triumph; it is a day of dedication. Here muster not the forces of party, but the forces of humanity. Men's hearts wait upon us; men's lives hang in the balance; men's hopes call upon us to say what we will do. Who shall live up to the great trust? Who dares fail to try? I summon all honest men, all patriotic, all forward-looking men, to my side. God helping me, I will not fail them, if they will but counsel and sustain me!"

And this was his answer! He bowed to the great out-of-doors and left the rostrum. The anxious sea of humanity that had stood for a short time with upturned faces and with ears eager to catch his words, now flowed toward Pennsylvania Avenue to see the newly created President of the United States move in state from the Capitol to the White House, and the next morning the world was commenting on his address.

The American people seemed to appreciate the new note of freedom that was sounded, and it was the sense

of the great body of the nation that if the President and his cabinet could but live and work in the spirit of that address, "squaring their conduct to its principles of unswerving justice and unselfish duty, we shall have indeed a great administration." There was little pessimism in the nation on March 5. Even a large number of Mr. Wilson's opponents, it was declared, "are now hopeful that he will succeed" and "the public conscience is ready to support any sound remedies for existing evils."

The days of protest and warning were now over. The policy of the new administration was frankly laid bare in the Inaugural Address, and the important legislation needed to set the energies of the nation free were stated in a few words; and he could confidently hope that the nation would not turn a deaf ear to his moving and solemn note of appeal.

The circumstances that placed him at the head of the nation were unusual. He had received only about 6,000,000 votes, while more than 8,000,000 had been cast for the other candidates. Lincoln was similarly elected in 1861. But the Civil War united enough Republicans and Democrats to make him secure in his power. "No such civic convulsion will come to Wilson's aid," it was argued. "Only by following lines of peaceful and domestic policy can he hope to consolidate his political strength," and make himself the real leader of the nation. He was already recognized as a great writer

and public speaker. But essays and orations stir other leaders to marshal their forces, and there is no limit "to the energizing of reform and the quickening of the human spirit." But would Woodrow Wilson combine with these two great qualities this most essential one—a great leader of the whole people? That was the question.

Mr. Wilson's first official act was the appointment of his cabinet, his official advisers. Although this act was a disappointment, somewhat, to many of his ardent supporters, it was not alleged that the appointments had been dictated to him or that there was the faintest trace of "boss rule" in connection with them. He was unquestionably making his own appointments. The sentiment of the conservative minds of the country, moreover, was expressed by *The Nation:* "Bearing in mind the long exclusion of the Democratic party from power, and also the fact that Mr. Wilson decided not to weaken the narrow Democratic majority in the Senate by inviting any of the abler men there to a seat in his Cabinet, his final choice will, we think, be generally admitted to be as wise as he could have made." If this was a positive compliment to the President, it was a doubtful one to the party in power.

The first problem before the President was to unify the Executive and the Legislative powers in harmony. He was the head of the nation but an untried national leader. However, it was his prerogative to suggest

and apprise, and Congress to debate and enact. His preparation for such a responsible position was rather uncertain; and it was this uncertainty that was troubling many people, and many of them belonged to the legislative body of the nation.

The country had grown accustomed to think of the Senate as an assemblage of "Conscript Fathers" possessing great dignity. "Senatorial courtesy" is a distinct reminder even today of the traditional sacredness of the rights of Senators to unlimited speech. Moreover, it was then an historic evidence, entertained not only by the country at large but by the Senators themselves, that the Senate was "the greatest deliberative body in the world." However, that body was undergoing a great change. The upheaval that finally brought the Democratic party into power brought a change in the manner of electing United States Senators. The Senate of the Sixty-third Congress was the last to be elected by the State Legislatures.

On the last of May, 1913, the Secretary of State signed the formal announcement of the Seventeenth Amendment to the Constitution providing for the direct election of Senators. It was the last of the old regimé, therefore, that Mr. Wilson found on the morning after his inauguration, but it was an honored and honorable body. There were Senators of such large and successful experience that Woodrow Wilson was still a boy when they began to render such distinguished

service to the country. Fifteen had been in the Senate for more than twelve years, and twenty-six had completed more than six years. However, the new President had never been a legislator. His mature life, save two years as Governor, had been spent in the schoolroom. Therefore, it was not a secret that the Senate and even the country at large had misgivings as to his power to guide such an honored and experienced body of statesmen.

Moreover, the House of Representatives, a large and somewhat unwieldy body, composed of 440 members, represented all phases of our amalgamated life and interests. It, too, had among its leaders a group of men who had been in training almost a generation. Some had achieved national distinction when Woodrow Wilson was just beginning to attract attention as a teacher and interpreter of political economy. Two members of the House of Representatives, because of their distinguished service, were popular candidates for the Presidency when Mr. Wilson was nominated. Master tacticians, skillful strategists, and political "war horses" were in charge of the House of Representatives on the 4th of March, 1913. Would the new President be able to organize them and direct them in this new course that was promised in the campaign and proposed on the day of his inauguration? Many people doubted it. Even the House of Representatives itself had some misgivings.

Monopoly must be destroyed! This was the slogan during the campaign; it was the subject of Mr. Wilson's utterances between his election and his inauguration; and it was the heart of his inaugural address. But this dangerous dragon was too powerful and too deadly to be slain by the arm of a single knight, even though he were clothed with the strength of Sir Galahad. Mr. Wilson had intimated that he would assemble Congress for the purpose of beginning his reforms. And men wondered.

The Democratic party had apparently lost the habit of cooperating as a unit. Moreover, it was argued that the Democratic party, although it had been protesting for a generation against abuses in the government, was, like the Republican party, so boss-ridden that no man could lead it as a unit against the wrongs that cried aloud for redress. Furthermore, it was believed that when a party long out of power comes into control of the government, it is possessed of an enthusiasm and a loyalty that gives it a certain degree of unity, and makes it for the moment amenable to wise leadership. But with continued power, more and more factionalism would appear and refractory spirits would obstruct the administration's policies. Then the old-time machine politicians would step into the breach and governmental processes would continue very much as in the past. And a degree of pessimism appeared in the hearts of honest men who were hopeful the day after the elec-

tion that the new administration would "effect a great readjustment and get the forces of the whole people once more into play."

The destiny of this nation was completely in the hands of the Democratic party. This new guardian, having been out of power for so many years, and now being flushed with victory, was eager to take charge and begin the journey. On this point the Executive and the Legislative departments were in complete harmony. The President's vision for "new freedom" for all Americans was clearly the vision of the party in control of Congress. Therefore, their purposes were identical. Such were the prospects on April 8, when the New Congress, in response to the President's call, met in special session.

CHAPTER IV

A NEW TARIFF: THE FIRST STAGE IN THE JOURNEY TO NEW FREEDOM

President Wilson had been a close student of politics and of history in-the-making, for more than a quarter of a century. He was plainly aware of the fact that his greatest influence would, in all probability, be in the beginning of his administration. Therefore, it was no surprise to the nation when he called Congress to meet in special session so soon after his inauguration. Simultaneously, he announced that he would not be pestered with office seekers; that no office seeker need call on him except upon invitation, because he would devote his best thought and energies to the larger questions and those most vital to the country; and the nation applauded this act as a promise of greater efficiency.

The new life in the government was so vigorous that the thoughtful men of the country began to advise Big Business to adjust itself as soon as possible to a new tariff law, since it was evident that the Administration meant to act promptly, and it seemed to be morally certain that a new tariff law would be enacted.

Immediately after the call was issued for an extraordinary session of Congress committees from the House and Senate became very active studying rates and schedules and revenue. "It will be little short of criminal for Big Business to wait until the new tariff law is a fact and then cry 'panic,' " was the warning to the business of the country.

However, the vigor of the new life was so exhilarating that the public mind was drawn temporarily away from the great issue, and speculation was rife as to who would be the real leader of this incoherent Democratic party. Would any one man be able to unify it, make it coherent, and direct it as a disciplined body of trained workers capable of holding the safety of all the people in its grasp? Would a great leader be developed and would the new Democratic administration be famous because of such a leader in Congress? Would the new President become such a leader? Or would the party disintegrate and wait for the old party to step back into power? Would a new party, like that that brought Jackson and Lincoln into the White House be formed? We were clearly at the beginning of a new era. Who would become the statesman of the hour?

Congress convened April 8, 1913. It had already been heralded abroad that President Wilson, in his first official relations to the newly assembled Congress, would overturn a century-old precedent by appearing

in person at the joint session of both Houses of Congress to deliver his first message. The practice, born of the British "Address from the Throne," was established in this country by Washington, continued by Adams, but abandoned by Jefferson, and for 112 years the Presidents had sent all their messages to Congress, most of which were unusually long and tiresome, to be read by clerks, while the members for the most part attended to other duties.

Mr. Wilson, however, was serious in proposing to appear in person at the first session. He was advised that such an act would be revolutionary and would be resented by both Houses. The act would savor too much of the methods of a dictator; and it was the intention of the Fathers that the Executive and the Legislative departments should forever remain independent of each other.

In anticipation of the event the galleries were crowded long before the appointed hour, and Capitol Hill was thronged with thousands unable to gain entrance to the House of Representatives. The hour arrived, but there was some delay. It was a tense moment. Then the Senators filed in, thirty minutes late, in formal dress, dignified, some of them sullen. One Senator remarked that he hoped this would be the last time the Senate of the United States would be humiliated by being called to the House Chamber to receive a message from the "throne." The two Houses

were now assembled. Then the President stepped in from a side door and took his place at the stand of the reading clerk.

"Senators and Representatives!" exclaimed Mr. Speaker Clark, the presiding officer of the joint session, "I have the distinguished honor of presenting the President of the United States."

And after 112 years the voice of the Chief Executive of the United States was heard in the assembly hall of the greatest legislative body in the world.

"Mr. Speaker, Mr. President, Gentlemen of the Congress:

"I am very glad indeed to have this opportunity to address the two Houses directly, and to verify for myself the impression that the President of the United States is a person, not a mere department of the government hailing Congress from some isolated island of jealous power, sending messages, not speaking naturally and with his own voice, that he is a human being trying to cooperate with other human beings in a common service. After this pleasant experience I shall feel quite normal in all our dealings with one another."

He had captured his audience, and no address within a century had received closer attention. Before the

astonishment of the moment had fully disappeared, he had given Congress its first task to perform and had intimated that as soon as it was accomplished he would appear again. He said:

"I have called the Congress together in extraordinary session because a duty was laid upon the party now in power at the recent elections which it ought to perform promptly, in order that the burden carried by the people under existing law may be lightened as soon as possible and in order, also, that the business interests of the country may not be kept too long in suspense as to what the fiscal changes are to be to which they will be required to adjust themselves.

"It is clear to the whole country that the tariff duties must be altered. They must be changed to meet the radical alteration in the conditions of our economic life which the country has witnessed within the last generation. While the whole face and method of our industrial and commercial life were being changed beyond recognition, the tariff schedules have remained what they were before the change began, or have moved in the direction they were given when no large circumstance of our industrial development was what it is today. Our task is to square them with the actual facts.

The sooner that is done the sooner we shall escape from suffering from the facts and the sooner our men of business will be free to thrive by the law of nature (the nature of free business) instead of by the law of legislation and artificial arrangement.

"We have seen tariff legislation wander very far afield in our day—very far indeed from the field in which our prosperity might have had a normal growth and stimulation. No one who looks the facts squarely in the face or knows anything that lies beneath the surface of action can fail to perceive the principles upon which recent tariff legislation has been based. We long ago passed beyond the modest notion of 'protecting' the industries of the country and moved boldly forward to the idea that they were entitled to the direct patronage of the Government. For a long time—a time so long that the men now active in public policy hardly remember the conditions that preceded it—we have sought in our tariff schedules to give each group of manufacturers or producers what they themselves thought that they needed in order to maintain a practically exclusive market as against the rest of the world.

"Consciously or unconsciously, we have built up

a set of privileges and exemptions from competition behind which it was easy by any, even the crudest, forms of combination to organize monopoly; until at last nothing is normal, nothing is obliged to stand the tests of efficiency and economy, in our world of Big Business, but everything thrives by concerted arrangement. Only new principles of action will save us from a final hard crystallization of monopoly and a complete loss of the influences that quicken enterprise and keep independent energy alive.

"It is plain what those principles must be. We must abolish everything that bears even the semblance of privilege or of any kind of artificial advantage, and put our business men and producers under the stimulation of a constant necessity to be efficient, economical, and enterprising, masters of competitive supremacy, better workers and merchants than any in the world. Aside from the duties laid upon articles which we do not, and probably can not, produce, therefore, and the duties laid upon luxuries and merely for the sake of the revenues they yield, the object of the tariff duties henceforth laid must be effective competition, the whetting of American wits by contest with the wits of the rest of the world.

"It would be unwise to move toward this end headlong, with reckless haste, or with strokes that cut at the very roots of what has grown up amongst us by long process and at our own invitation. It does not alter a thing to upset it and break it and deprive it of a chance to change. It destroys it. We must make changes in our fiscal laws, in our fiscal system, whose object is development, a more free and wholesome development, not revolution or upset or confusion. We must build up trade, especially foreign trade. We need the outlet and the enlarged field of energy more than we ever did before. We must build up industry as well, and must adopt freedom in the place of artificial stimulation only so far as it will build, not pull down.

"In dealing with the tariff the method by which this may be done will be a matter of judgment, exercised item by item. To some not accustomed to the excitements and responsibilities of greater freedom our methods may in some respects and at some points seem heroic, but remedies may be heroic and yet be remedies. It is our business to make sure that they are genuine remedies. Our object is clear. If our motive is above just chal-

lenge and only an occasional error of judgment is chargeable against us, we shall be fortunate.

"We are called upon to render the country a great service in more matters than one. Our responsibilities should be met and our methods should be thorough, as thorough as moderate and well considered, based upon the facts as they are, and not worked out as if we were beginners. We are to deal with the facts of our own day, with the facts of no other, and to make laws which square with those facts. It is best, indeed, it is necessary, to begin with the tariff. I will urge nothing upon you now at the opening of your session which can obscure that first object or divert our energies from that clearly defined duty.

"At a later time I may take the liberty of calling your attention to reforms which should press close upon the heels of the tariff changes, if not accompany them, of which the chief is the reform of our banking and currency laws; but just now I refrain. For the present, I put these matters on one side and think only of this one thing—of the changes in our fiscal system which may best serve to open once more the free channels of prosperity to a great people whom we would serve to the utmost and throughout both rank and file."

When he had finished, he thrust the copy of his message into the inside pocket of his coat and, bowing to the audience, he said: "I sincerely thank you for your courtesy."

At the end of the sentence the galleries gave a tremendous applause, and Senators and Members joined in with enthusiasm. And, while the audience was recovering from the astonishment caused by his manner and the brevity of his message, he quietly withdrew from the Chamber, having demonstrated in an address of less than ten minutes his masterful skill and invincible magnetism, by first convincing and then capturing his critics.

Whether the Democratic party and the nation had drawn a real leader, the astonished body did not yet know. He did not have the manner of a dictator, nor did he appear to be encroaching upon the ancient rights of the Legislative body. But, one thing was certain. The nation had a unique, if not an extraordinary citizen to deal with, since the conception of the act required courage and to execute it called for great boldness. Moreover, there was a unanimous assent to the brevity of his message and the comments were very much in his favor, if the breaking of the ancient custom means that in the future these messages are to be "brief, direct, bold and fundamental, rather than merely legal arguments or statistical compends." But

the President's innovation meant more than that—he was attempting to establish human and personal relations with Congress, and a closer relationship between the Executive and Legislative powers was desirable for obvious reasons.

Congress now had one task—to revise the tariff "in order that the burden carried by the people under existing laws may be lightened as soon as possible and in order, also, that the business interests of the country may not be kept too long in suspense as to what the fiscal changes are to be to which they will be required to adapt themselves."

Much of the preliminary work of revising the tariff schedule had already been done, and during the few weeks between the inauguration of the President and the assembling of Congress, the new tariff bill was drafted. Therefore, on the morning of the 8th of April, when Senators and Representatives were listening to the President's address, they had before them published copies of the new tariff bill which was ready to be introduced. The people of the country read the proposed bill the day before they read the President's address. Therefore, there was no necessity for the President to go into details. He was discussing fundamental principles. In this manner the nation was led from detail to general truths, and, to say the least, the President was pedagogical. And again the business men of the country were urged by the patriotic press to

prepare themselves for the change and not to be caught like the foolish virgins unprepared for the event.

There was something spectacular about the progress of the tariff bill through Congress. A steady campaign was waged throughout the nation for funds to maintain a lobby and to create sentiment that might deter the work of the Representatives and Senators. The sugar interests made a "burning appeal" to the nation. The woolen interests, that had enjoyed protection for so long, were panic-stricken and saw national disaster ahead if wool should be put on the free list. Cotton manufacturers felt the cold wind of ingratitude for the business they had built up, became disgusted with politics, and returned home when the tariff knife cut away a part of their protection. The "voice of reason" was heard in the land "protesting against undue haste." The alarmist saw the Democratic party rushing to its doom and carrying in its wake disaster to the whole country. In the meantime a conference of the two wings of the Republican party was held for the purpose of getting together, although it was on the tariff that the party split.

It soon became quite evident that Big Business, instead of preparing for the inevitable change, was making ready to fight it. And that "whispering system," the lobby, that the President had anathematized during the campaign, was quietly and very determinedly at work to circumvent every important reduc-

tion of the tariff. Moreover, in New Jersey, his own state, the legislature, in its efforts to control the trusts, was handicapped at every step.

Mr. Wilson had declared before his inauguration that he meant to see business set free and the government dissolved from its co-partnership with monopoly. Moreover, he declared that he would fight for this "new freedom," and he added that he really liked a fight when it became necessary to fight.

"There is only one canon of Americanism," he said soon after Congress convened, "and the real, constant difficulty of American politics is to bring it back so that it will square with the standards set up at the first when the Revolution was fought out and an independent nation was established in America. We established an independent nation in order that men might enjoy a new kind of happiness and a new kind of dignity; that kind which a man has when he respects every other man's and woman's individuality as he respects his own; when he is not willing to draw distinctions between classes, when he is not willing to shut the door of privilege in the face of any one."

But wherever he turned, that "invisible government" was deliberately at work, and its chief executive, the

politician boss, that self-appointed trustee, was busy in the national capital as well as in the state capitals to bar the "door of privilege" and destroy the first canon of Americanism. The President's attack on the political boss was well planned. The opening assault was made in his own state, where he declared in very strong terms that that "whispering system" must vacate and give democracy a chance.

"The people of this country and of this State are going to have what they know they ought to have by one process or another," he said. "I pray that it may not be a wrong process. I do not myself believe that dangerous things will happen. But I want to warn these men (the bosses) not too long to show the people of this country that justice cannot be got by the ordinary processes of law. I warn them to stand out of the sovereign way.

"I have traveled from one end of this country to the other. I have looked into the faces of many audiences. I have never seen any symptoms that men were going to kick over the traces of the laws they have made, but I have seen a great majesty seated upon their countenances, and infinite patience. Thus they are sitting now."

Then he issued a warning for all men to heed:

"This is the test; this is the trial; this is the ultimate seat of judgment, and if these men will not serve the people, they will be swept away like chaff before the wind. Other men more honest, more active, more wholesome, with the freshness of a new age upon them, with eyes that see the country as it is—men who are cool and thoughtful and determined—will go to the front and lead the people to the day of victory.

"Then America will be crowned with a new wreath of self-revelation and of self-discovery, and these creatures will have disappeared like the dust in the wheels of the chariot of God. It is this hope, it is this confidence that keeps the President of the United States alive. It is this confidence that makes it good to come back to New Jersey and fight for the old cause."

In this connection he declared also that he was the President of the people of the United States. "I am not the servant of the Democratic party," he said. "I am the servant of the people, acting through the Democratic party, which has now undertaken some of the most solemn obligations that a party ever undertook, for it has stepped forward at a moment of universal disappointment and said, 'We pledge you our

honor as men and as patriots that you shall not be disappointed again.' ''

He knew that the same ''whispering system'' was at work in the national capital. There were men without any visible occupation who lived well in Washington hotels and professed to have political influence at their disposal. Moreover, there were agents who supplied the press with advertisements and newspaper articles. Groups of people were organized in many states whose business it was to flood the Representatives and Senators with letters from ''down home,'' with the purpose of frightening timid members of Congress and thus defeating the Administration's tariff plans. The President's New Jersey speeches created a little excitement. But when he returned to Washington, he had only to watch the same agencies at work.

The month of May was nearly gone. Congress had been in session about six weeks, and the tariff bills, which were ready to be considered by the House at the opening session, had made considerable progress. However, obstruction after obstruction was placed in the way of the Members. The President had already declared that the people of this country are going to have, by one process or another, what they know they ought to have. Therefore, he warned the bosses ''to stand out of the sovereign way.'' And instead of heeding this warning, they seemed to be so strongly intrenched that they dared to defy the Administration.

A reformed tariff in accordance with Democratic principles was the first step in his "new freedom." It was the beginning of his Americanism, and the evidence that this "whispering system," these self-appointed trustees, were undertaking to say what kind of a tariff bill the nation should have, threw him into a rage. Therefore, on May 26, he spoke some plain words about the pressure of selfish interests upon Congress to defeat the moderate reduction of tariff proposed by the Underwood bill:

"I think that the public ought to know," he said, "the extraordinary exertions being made by the lobby in Washington to gain recognition for certain alterations of the tariff bill. Washington has seldom seen so numerous, so industrious, or so insidious a lobby. The newspapers are being filled with paid advertisements circulated to mislead not only the judgment of public men, but also the public opinion of the country itself. There is every evidence that money without limit is being spent to maintain this lobby, and to create an appearance of a pressure of public opinion antagonistic to some of the chief items of the tariff bill.

"It is of serious interest to the country that the people at large should have no lobby and be voiceless in these matters, while great bodies of astute

men seek to create an artificial opinion and to overcome the interests of the public for their private profit. It is thoroughly worth the while of the people of this country to take knowledge of this matter. Only public opinion can check and destroy it.

"The government in all its branches ought to be relieved from this intolerable burden and this constant interruption to the calm progress of debate. I know that in this I am speaking for the members of the two Houses, who would rejoice as much as I would, to be released from this unbearable situation."

It was evidently no coincidence that this attack on the lobbyists came when the tariff bill, which had been under consideration for nearly three months, was on the eve of being reported to the Finance Committee as a whole in order that the Caucus of Democratic Senators might pass on it. If the lobbyists were planning at that time a great attack on the bill, the President so timed his remarks as to create consternation among them, and then he was accused of using all the privilege and authority of his party leadership in order to rush "an important piece of legislation through Congress." The Senate at once asked for an investigation. Mr. Wilson said he could furnish names of leading

lobbyists. "A lobby in Washington; the idea!" and they ridiculed the President and even called him a lobbyist. But he had seen the public with a "great majesty seated upon their countenances and an infinite patience."

He had already declared that he would admit of no compromise on any of the vital points of the bill as it passed the House. His positive manner as well as his courage made the party leaders more than ever determined to carry out their party pledge of moderate and cautious tariff reduction, and even vacillating Senators renewed their courage. However, there were those who broke from the party ranks and became desperate in their opposition to the bill. The fight became so exhilarating that Republicans and Progressives entered the lists enthusiastically and lined up on both sides of the issue. It was indeed a great fight, and no man in any business "could have more rigidly kept office hours or displayed more industry" than President Wilson did. His personal wishes were stamped everywhere upon the bill and his leadership became so marked that manufacturers and all high protective tariff advocates were warned again to make their business ready for the change that seemed to be inevitable.

When he hurled his attack against the lobbyists he was called a "dictator" and when he refused to yield to the demands of the manufacturers, they spoke of

"the pale lean scholar in the White House" whose ignorance of business conditions will wreck the country. However, the startling revelations that came up from the lobby investigation brought convincing evidence of an "iniquitous invisible government," and the methods of Big Business were in disrepute before the country. Therefore, the mighty interests who had defied the people's will for so many years felt themselves caught in the grip of a Master, and they now appealed to him personally to withdraw the knife from the old tariff schedule and save the country from financial ruin.

"All business is in a halting attitude because all business seems to be more or less the subject of legislative control," they pleaded. Then the great Frisco Railway system went into the hands of a receiver. "Business needs emancipation from legislative influence. It has been punished until it is a nervous wreck," they complained. And the President assured them that it was his great ambition to emancipate business from legislative influence and throw it back on its own initiative. But this was not the assurance that was desired, and "mutterings of a silent panic" were heard in the land. Then a large trust company failed, and tight money, decline of stocks, and great business depression became the topics of conversation in the streets, in the clubs, around the capitol, and in the committee rooms.

If these things were so in an era of great prosperity, the President argued, then new currency legislation was absolutely necessary and should be pressed immediately. What did the man mean? His administration was not three months old, it was argued, yet his tariff agitation was already producing hard times, and now he would start another agitation that would simply knock the bottom out of everything, and Big Business tumbled headlong into the blue shadows.

Dignified Senators and Members smiled at the thought of attempting to pass two such important measures with summer already at hand. The nation's representatives could not be expected to swelter in Washington all through "dog days" while others were reveling in the invigorating sea breezes or relaxing under the influence of the cool mountain air. However, Mr. Wilson, on June 23, did appear the second time before Congress; and this time, to ask the Members and Senators, now that the tariff bill was moving forward so satisfactorily, to prepare to take the second step just as soon as the tariff bill was out of the way. But this second step will be discussed in the next chapter.

However, Mr. Wilson had started two great measures through Congress, and this too, at a time when many Senators and Members were thinking of adjourning for the summer. It was argued that they could go away during the hot months, recuperate, and

return in the fall. In this way they would be able to complete both bills, certainly the tariff bill, before the beginning of the first regular session of the 63rd Congress in December.

When it was first rumored that Senators and Members wished to adjourn for the summer, Mr. Wilson urged them quietly and calmly to pass both the tariff and the currency bills during the special session. That, of course, was asking entirely too much, many thought. But they argued that they could pass the tariff bill by August and under the strange influence that was emanating from the White House they got down to business.

The summer was by no means dull and monotonous. The revelations that came from the investigation of the "iniquitous whispering system" that had influenced legislation in the past and was encamped around the Capitol for the purpose of defeating both the tariff and the currency bills, acted as a tonic to the nation and a stimulus to Congress. Even in the midst of the summer heat when Senators and Members were chafing under pressure brought to bear on them, the rout of the lobbyist, and the example of the President, displaying such unparalleled industry, gave an impulse and a sustained force to Congress which made legislation that seemed impossible only a few weeks before, not only seem possible now but certain.

In the meantime the old Democratic party, with a

reputation for factions and dissensions, was giving evidence of team work that was a surprise to its members as well as to their partisan opponents. What great influence was at work? No man could actually define it, but its source was traced to the White House.

The tariff bill had a good road ahead and as obstructions began to vanish Congress acquired new courage and the momentum increased. Not even wool and sugar could escape the knife. The few insurgents left in the party were desperate and the press was constantly proclaiming that they would defeat the bill. However, it did pass the House by a tremendous majority. But that was expected. Then it went to the Senate, and many confidently said that it would never pass that body, since the Democratic majority was so small, and insurgents had already appeared that made the defeat practically certain.

Here, again, the influence of the President was felt and when there was an effort to weaken the bill in the Senate, a Democratic Caucus of the Senate was called, early in July, and it resolved, "That the tariff bill agreed to by this conference in its amended form is declared to be a party measure, and we urge its undivided support as a duty by Democratic Senators without amendment, provided, however, that the Conference or the Finance Committee may, after reference or otherwise, propose amendments to the bill."

A door was left open to reasonable amendments, but

the action of every Democratic Senator now became a matter of party honor. The work of revising the schedule continued throughout the month of July, and, barring a few partisan papers that were avowedly in favor of protection, the public expression showed signs of a revival of industry and of trade, and the demands that came up to Congress for a new protective tariff law were becoming more and more insistent.

There was too much energy in the nation for industries "to crumble into ruins," and the growing revival in business was too real for labor "to groan under the depression." The press of the country began to carry new headlines, "The Tariff Bill will Certainly Pass," and the business of the country went to work seriously to adjust itself to the inevitable. Like the foolish virgins, however, they had slumbered and slept and dreamt of anything else but a marriage feast. And the readjustment was at hand. On September 9, the bill passed the Senate with certain minor amendments that had to be concurred in by the House.

How had it been accomplished? At the first, Mr. Wilson unveiled his purpose to have an active part in law-making not by coercion, by threats, nor by bluster, but by wise leadership. His methods were unique. First committees of the House and Senate, the real leaders of Congress, began the preparation of a bill. Then it was discussed by the people at large. Everybody discussed it. Mr. Wilson was a firm believer

in the force of public opinion which he repeatedly declared "is the mistress of the world." Then he sat quietly and watched public opinion form while "the whispering system" and "the self appointed trustees" were holding "inside room" conferences and planning to impose their selfish schemes upon Congress.

"The people know what they want," he declared and Congress felt an irresistible force driving them forward. It was the spirit of the people at work guided by a master hand who was adopting the strangest political tactics that Congress had ever witnessed. With this instrument in his hand he was almost invincible. The final passage of the bill seemed so ridiculously simple and the familiarity with this epoch-making piece of legislation was so general that the intense struggle for six months was almost forgotten as opposition melted away. Why, it actually appeared that the country was really waiting for Congress cheerfully to hand over the completed bill. There was less grumbling then by all parties than by his own party when he first made his appearance in the capitol and overturned a century old precedent by addressing Congress. But the united efforts of the Executive and Legislative powers had triumphed over the most powerful forces ever at work in the nation's capital. The President and Congressional leaders had learned to work together. Eternal vigilance on the part of both

was the price that was paid for this first important piece of legislation.

On the day of the passage of the bill by the Senate, Mr. Wilson issued a public statement which showed how keenly he appreciated the work of the two Houses. He said:

"A fight for the people and for free business which has lasted a long generation through has at last been won, handsomely and completely. A leadership and a steadfastness in counsel has been shown in both Houses, of which the Democratic party has reason to be proud. There has been no weakness or confusion in drawing back, but a statesmanlike directness and command of circumstances.

"I am happy to have been connected with the Government of the nation at a time when such things could happen and to have worked in association with men who could do them. There is every reason to believe that currency reform will be carried through with equal energy, directness, and loyalty to the general interest.

"When that is done, this first session of the Sixty-third Congress will have passed into history with an unrivalled distinction. I want to express my special admiration for the devoted, intelligent,

and untiring work of Mr. Underwood and Mr. Simmons, and the committee associated with them!''

Nearly a month elapsed, however, after the Senate passed the bill before the two Houses could agree on the amended parts and pass it in its completed form. And on the evening of Friday, October 3, committees from both the Senate and the House carried the results of their labors to the President for his approval. He waited until the close of the business for the day in order that, since the act was to take effect immediately, it might become operative on the opening of business on the morning of October 4. After fixing his signature to the bill which goes into history as the Underwood-Simmons bill, he said:

''I feel a very peculiar pleasure in what I have just done by way of taking part in the completion of a great piece of business. It is a pleasure which is very hard to state in words adequate to express the feeling, because the feeling that I have is that we have done the rank and file of the people of this country a great service.

''It is hard to speak of these things without seeming to go off into campaign eloquence, but that is not my feeling. It is one very profound—a feeling of profound gratitude that working with

the splendid men who have carried this thing through with studious attention and doing justice all round, I should have had part in serving the people of this country as we have been striving to serve them ever since I can remember.

"I have had the accomplishment of something like this at heart ever since I was a boy, and I know men standing around me can say the same thing—who have been waiting to see the things done which it was necessary to do in order that there might be justice in the United States. And so it is a solemn moment that brings such a business to a conclusion, and I hope I will not be thought to be demanding too much of myself or of my colleagues when I say that this, great as it is, is the accomplishment of only half the journey.

"We have set the business of this country free from those conditions which have made monopoly not only possible, but in a sense easy and natural. But there is no use taking away the conditions of monopoly if we do not take away also the power to create monopoly, and that is a financial rather than a merely circumstantial and economical power.

"The power to control and guide and direct the credits of the country is the power to say who shall

and who shall not build up the industries of the country, in which direction they shall be built, and in which direction they shall not be built. We are now about to take the second step, which will be the final step in setting the business of this country free.

"That is what we shall do in the Currency Bill, which the House has already passed, and which I have the utmost confidence the Senate will pass much sooner than some pessimistic individuals believe. Because the question—now that this piece of work is done—will arise all over the country, 'For what do we wait? Why should we wait to crown ourselves with consummate honor? Are we so self-denying that we do not wish to complete our success?'

"I was quoting the other day to some of my colleagues in the Senate those lines from Shakespeare's *Henry V,* which have always appealed to me: 'If it be a sin to covet honor, then am I the most offending soul alive;' and I am happy to say that I do not covet it for myself alone.

"I covet it with equal ardor for the men who are associated with me, and the honor is going to come for them. I am their associate. I can only complete the work which they do. I can only

counsel when they ask for my counsel. I can come in only when the last stages of the business are reached.

"And I covet this honor for them quite as much as I covet it for myself. And I covet it for the great party of which I am a member; because that party is not honorable unless it redeems its name and serves the people of the United States.

"So I feel tonight like a man who is lodging happily in the inn which lies half way along the journey and that in the morning with a fresh impulse we shall go the rest of the journey and sleep at the journey's end like men with quiet consciences, knowing that we have served our fellow men, and have, thereby, tried to serve God."

CHAPTER V

A NEW CURRENCY—THE SECOND STAGE IN THE JOURNEY

The tariff bill moved so smoothly through the House that the President decided, early in May, to press currency reform without delay. His prestige and influence at that time was very great, and it was said that "he is gradually imparting to the American forms of government a smoothness and flexibility it had hitherto lacked." There was no question now as to his leadership. Therefore, when the nation realized that he was determined to press a second great reform he was advised to move with care and deliberation, since a change in the currency was more dreaded by a certain element in the nation than a reduction in the tariff.

The banking law in force was enacted during the Civil War and was a war measure. The Government, in order to secure money to prosecute the war, had to issue bonds which it found difficult to sell. It was provided, therefore, that the banks might take the bonds and issue bank notes based upon them. This expedient solved the problem and was a sound temporary measure. However, it was a very inflexible

system and one that could not adapt itself to the changing needs of trade. Moreover, there was no central institution which could aid in mobilizing the resources of the country to meet the requirements of an active trade or of a credit crisis.

More than half a century had passed since the original law was enacted. Since that time the nation had been made over again. A new industrial era had appeared; new business methods were employed; and a new currency was needed. The bankers of the nation had pointed out these serious defects, and several attempts had been made to remedy them. The political parties admitted that reform was absolutely necessary, and the American Bankers' Association had signified its willingness to cooperate with any party that would attempt to give this country relief.

The old banking laws were not only out of date, but they were a menace to the entire country. They could be used by a small group of bankers to tie up the money market and produce a panic. Instead of the nation's controlling the currency for the benefit of all, a few money barons controlled it; and they were as jealous of this power as if they had received it through a special dispensation of providence. The small banks of the towns and villages were absolutely at their mercy, and there was neither justice nor freedom in the flow of the money currents. The money barons caused the panic of 1907 at a time of great national

prosperity, and the investigations of the Pujo Committee brought out the fact that it was possible at almost any time for a certain small group of bankers to produce another panic and the entire treasury and resources of the United States were helpless to avoid it. Almost every well informed person admitted these facts. The whole country demanded the reform except the small group of money barons who were in power, and a short time before, the nation witnessed the spectacle of Congress attempting to correct the evil, but permitting these autocrats virtually to write the bill. No one expected that they would dethrone themselves.

President Wilson, however, announced that a new era was at hand, that the nation demanded currency reform, and that this reform would come. These words were vigorously applauded. However, when he showed a determination to act at once and to throw the united party behind the movement to correct the evils complained of, the business of the country was afflicted with a sinking of the heart, and the bankers advised Congress in the most solemn tones to have a care. A habit of fifty years was about to be broken, and the nervous system was afraid of the shock.

The country was not yet accustomed to the habits of the new Chief Executive. He neither initiated legislation nor discussed the details of any measure in his public addresses. It was his policy to remind the

Democrats of their promises and to urge Congress to act as promptly as possible. He was an executive, not a legislator. His calling Congress in extra session as soon as possible and reminding the Democrats that they were in honor bound to reform the tariff, was within his province as an executive. But, he had little to say in his message about the methods of reducing rates.

It soon became a certainty that the President expected Congress to give the needed currency reform, and that too without delay. The Senate and House Committees were already very active, and the country was nervous. A variety of expedients and plans were submitted to Congress. That body was urged to be on guard against the insidious influence of Wall Street, the pressure of the Western farmers, the provincialism of the Southern Cotton Conventions, and the unwarranted urgencies of the Stock Exchange. In other words, every possible danger or imagined evil that might follow a change in the currency law was held up to public gaze, with the purpose of forcing Congress to move deliberately and cautiously. The nation earnestly desired reform, but was really afraid of haste.

The spring of 1913 was unusually exciting from a political standpoint. If the fight on the tariff could not provide a sensation, rumors of a hastily hatched up currency law could produce the desired excitement.

It was the habit of business to become panicky while the tariff was under discussion. But to think of a Democratic Administration in the act of passing an anti-protective tariff bill and at the same time pressing a bill for currency reform was more than the public could really assimilate without a considerable jolt to its entire nervous system. But the President was a good psychologist. After the country had discussed the defects of the old law and suggested innumerable remedies, he appeared at the Capitol on the morning of June 23, and before the joint session of the two Houses, advised them to move up to the second stage of the journey to the New Freedom. His second appearance before the Senate and Members established the habit, and he could now talk to them directly instead of "hailing Congress from some isolated position of jealous power."

"It is under the compulsion of what seems to me a clear and imperative duty," he began, "that I have a second time this session sought the privilege of addressing you in person. I know, of course, that the heated season of the year is upon us, that work in these chambers and in the committee rooms is likely to become a burden as the season lengthens, and that every consideration of personal convenience and personal comfort, per-

haps, in the cases of some of us, considerations of personal health even, dictate an early conclusion of the deliberations of the session; but there are occasions of public duty when these things which touch us privately seem very small; when the work to be done is so pressing and so fraught with big consequences that we know that we are not at liberty to weigh against it any point of personal sacrifice. We are now in the presence of such an occasion.

"It is absolutely imperative that we should give the business men of this country a banking and currency system by means of which they can make use of the freedom of enterprise and of individual initiative which we are about to bestow upon them. We are about to set them free; we must not leave them without the tools of action when they are free. We are about to set them free by removing the trammels of protective tariff. Ever since the Civil War they have waited for this emancipation and for the free opportunities it will bring with it. It has been reserved for us to give it to them. Some fell in love, indeed, with slothful security of their dependence upon the Government; some took advantage of the shelter of the nursery to set up a mimic mastery of their own within its walls. Now

both the tonic and discipline of liberty and maturity are about to ensue.

"There will be some readjustments of purpose and point of view. There will follow a period of expansion and new enterprise, freshly conceived. It is for us to determine now whether it shall be rapid and facile and of easy accomplishment. This it cannot be unless the resourceful business men who are to deal with the new circumstances are to have in hand and ready to use the instrumentalities and the conveniences of free enterprise which independent men need when acting on their own initiative.

"It is not enough to strike the shackles from business. The duty of statesmanship is not negative merely. It is constructive also. We must show that we understand what business needs and that we know how to supply it. No man, however casual and superficial his observation of the conditions now prevailing in the country, can fail to see that one of the chief things business needs now, and will need increasingly as it gains in scope and vigor in the years immediately ahead of us, is the proper means by which readily to vitalize its credit, corporate and individual, and its originative brains. What will it profit us to be free if we

are not to have the best and most accessible instrumentalities of commerce and enterprise? What will it profit us to be quit of one kind of monopoly if we are to remain in the grip of another and more effective kind? How are we to gain and keep the confidence of the business community unless we show that we know how both to aid and protect it? What shall we say if we make fresh enterprise necessary and also make it very difficult by leaving all else except the tariff just as we found it?

"The tyrannies of business, big and little, lie within the field of credit. We know that. Shall we not act upon the knowledge? Do we not know how to act upon it? If a man cannot make his assets available at pleasure, his assets of capacity and character and resource, what satisfaction is it to him to see opportunity beckoning to him on every hand, when others have the key of credit in their pockets and treat them as all but their own private possession? It is perfectly clear that it is our duty to supply the new banking and currency system the country needs, and it will need it immediately more than it has ever needed it before.

"The only question is, When shall we supply

it—now, or later, after the demands shall have become reproaches that we were so dull and so slow? Shall we hasten to change the tariff laws and then be laggards about making it easy and possible for the country to take advantage of the change? There can be only one answer to that question. We must act now, at whatever sacrifice to ourselves. It is a duty which the circumstances forbid us to postpone. I should be recreant to my deepest convictions of public obligation did I not press it upon you with solemn and urgent insistence.

"The principles upon which we should act are also clear. The country has sought and seen its path in this matter within the last few years—seen it more clearly now than it ever saw it before—much more clearly than when the last legislative proposals on the subject were made. We must have a currency, not rigid as now, but readily, elastically responsive to sound credit, the expanding and contracting credits of everyday transactions, the normal ebb and flow of personal and corporate dealings. Our banking laws must mobilize reserves; must not permit the concentration anywhere in a few hands of the monetary resources of the country or their use for speculative

purposes in such volume as to hinder or impede or stand in the way of other more legitimate, more fruitful uses. And the control of the system of banking and of issue which our new laws are to set up must be public, not private, must be vested in the Government itself, so that the banks may be the instruments, not the masters, of business and of individual enterprise and initiative.

"The committees of the Congress to which legislation of this character is referred have devoted careful and dispassionate study to the means of accomplishing these objects. They have honored me by consulting me. They are ready to suggest action. I have come to you as the head of the Government and the responsible leader of the party in power, to urge action now, while there is time to serve the country deliberately and as we should, in a clear air of common council. I appeal to you with a deep conviction of duty. I believe that you share this conviction. I therefore appeal to you with confidence. I am at your service without reserve to play my part in any way you may call upon me to play it in this great enterprise of exigent reform which it will dignify and distinguish us to perform and discredit us to neglect."

This deliverance, like his tariff message, was so unlike all former Presidential messages that a new category is necessary to give it the proper classification. It was an appeal to the patriotism of the Representatives and Senators, not a message. He had answered all the complaints that had come up from members who wished to avoid the irksome days of the summer months. He was appealing to them to think more of the party promises than of their personal comfort. He was reasoning with them that the tariff law should be accompanied with a sound currency law if they would escape the criticism that might justly arise from the business of the country. He was pleading with them to prove to the nation that the Democratic party "understands what business needs" and "knows how to supply it"; and finally, he was urging Representatives and Senators to act at once and with deliberation. And it was this "act at once" that business feared.

The delivery of this second appeal to Congress occupied exactly nine minutes, and it is interesting to note that in both of his addresses to Congress he did not discuss or analyze the important measures that were to be considered by Congress. In each instance he did not address Congress until that body was ready to act on the measures and after the public had been discussing them for weeks. It was very evident that Mr. Wilson was creating a new precedent.

Presidents' messages hitherto had been formal treatises

on subjects already well known to the people. They had become too formal to be really interesting. But in this second address Mr. Wilson had departed again from the old custom. He, the Executive of the nation, was simply calling the attention of Representatives and Senators, the Legislative body of the nation, to a specific evil—one at a time—and was requesting that body to remedy the evil. The Executive was in no sense outlining any currency bill or suggesting any of the details of the bill. That was the prerogative of the Legislative department. He was earnestly and solemnly advising the Senators and Representatives to act at once, "while there is time to serve the country deliberately." A few days later he was in Conference with Senators and representatives of the American Bankers' Association.

The need of prompt action was strongly stated by Mr. Carter Glass, Chairman of the House Committee on Banking and Currency. He said:

"For more than a quarter of a century it has been realized in this country that there were radical deficiencies in our banking and currency system, and for at least twenty years there have been repeated efforts made to correct these defects. We have been for that period of time the scoff and the ridicule, not only of the practical banker, but of the scientists and text-book writers of Europe. Our own thinkers, who have given study to the question, have repeatedly pointed

out to the Congress that we were operating under an antiquated and out-of-date banking and currency system, and that we had prosperity in America in spite of, rather than because of, our banking and currency system."

It was generally agreed that the reserve funds of the country gradually found their way into the vaults of the great banks of the country—chiefly of New York, "there to be thrown into the maelstrom of stock speculation," and when the business of the country needed these funds for local use, the large centers so controlled the reserve that the entire country was at the mercy of the large bankers; and in times of depression or panic the country was least responsive when it should be most responsive. This was not a party complaint; it was a national evil. The task of the Administration, therefore, was threefold:

1. To shift the whole currency of the nation from the basis on which it had rested for more than a half century; namely, United States bonds, which was the indebtedness of the nation, to the commercial assets of the business of the country. The first was limited, the second was virtually illimitable.

2. To establish a sufficient number of Federal Reserve banks into which a certain percentage of the currency of the country might be collected automatically, in order to provide for the mobilization of the reserve force of the country to meet any emergency—

whether to move the cotton of the South, the grain of the West, drive the factories of a given area, or take care of American commerce in foreign fields.

3. To provide a Federal Board of Control with power over banking somewhat similar to that of the Interstate Commerce Commission over the railroads, in order that the banks may serve the entire country rather than the speculative impulse of a small coterie of bankers.

Such a radical change in our currency laws could not be made without a stubborn fight. In the first place the people were so accustomed to party government that the business of the country, which was allied for the most part with the Republican party, looked at first upon the proposed currency bill as a Democratic measure. The long partisan fight over the tariff was responsible in a large measure for this attitude. A Republican tariff was a protective tariff in the interest of business. A Democratic tariff was an anti-protective tariff in the interest of an entirely different class of citizens. Therefore, it had become a habit of mind to think that the party in power would administer the government in the interest of the party in power; hence, "pork-barrel" legislation and a number of perplexing laws that gave much evidence to support this belief.

When Mr. Wilson appeared at the Capitol, therefore, and asked Congress to reform the currency, the party

leaders in opposition to the Democratic party, but in accordance with old conceptions of party government, declared openly that the currency would not be reformed, that it would not be advanced by any measure that the President might force through Congress. The partisan press continued the discussion. Mr. Wilson, they said, knew nothing about the technical phases of either banking or currency, and the great bankers of the country were not members of the Democratic party. Then how could a party whose leaders and members knew so little about the subject under consideration give the country relief? But Mr. Wilson had declared that the Democratic party must be turned into an instrument to serve the whole body of the nation.

Three days after the President's address, the bill was introduced in the House and in the Senate. When it first appeared, it was imperfect, and many valid objections to it were raised. This was an evidence to many that the country could expect no relief from a party that was approaching the subject at one time from an academic standpoint, and at another time from a partisan standpoint. It must be approached from a business standpoint which was another way of saying, from a Republican standpoint.

The old time notion of party government was so strong that it did not seem to occur to the rank and file of either party that it was possible to secure the

cooperation of the best thought in all parties in working out a bill that would be of lasting benefit to the country. Neither did it seem to occur to them, when the outlines of the bill appeared, that the President was virtually saying to the nation, Here is the material out of which a masterpiece is to be created, bring in the workman, from whatever source, so that when the task is completed, the world may recognize it as a work of art! On the contrary, the crude material was accepted as the finished product. Some laughed at it; others criticized it; many denounced it; and for the time it appeared that the opposition was more concerned over obstructive legislation than discovering the right kind of legislation. But that attitude was natural. Moreover, it was consistent with party government in the past.

The President, however, had announced that the government was entering a new era. Old customs were inadequate. But few saw then that currency reform would be the product of the best thought of America, that long before it became a law it would lose much of its partisan characteristics, and that before the end of the fight, the nation would witness Democrats and Republicans working together under the Chief Executive of the nation for the financial relief of the whole country.

President Wilson's method was unique. He had driven the lobbyists from the Capitol, and now he was

showing the forces that relied on lobbyists how they might serve themselves by serving the whole country. "I am listening," he said, "I am diligently trying to collect all the brains that are borrowable in order that I shall not make more blunders than it is inevitable that a man should make who has great limitations of knowledge and capacity. And the emotion of the thing is so great that I suppose I must be some kind of a mask to conceal it."

All political parties were agreed that serious defects existed, and the bankers of the country were fully aware of the inelasticity of the currency and the great need of a sufficiently large and workable reserve force. However, a large number of the bankers and other business men seemed to grow panicky over the persistent determination of the Administration to remedy those defects. But there was no stopping the movement.

In July the nation had become acquainted with the leading features of the bill, the purpose of which was to provide "a currency absolutely responsive to the business requirements of the country, coming forth when it is needed, and retiring at the consummation of these business transactions." Moreover, it provided for a reserve system, the purpose of which was to prohibit the reserve fund of the country from flowing to the banks of the larger cities to foster and encourage stock speculation, but which would draw the currency

back into the banks of the various sections of the country, "there to be held as a sacred fund, to respond to the business demands of these various sections, rather than to be used in speculation purposes."

The large financial centers at first showed much opposition. But they were urged by the press of the country "to hesitate before defeating the bill." Captains of industry, who were incensed over tariff reductions, raised a protest and at first offered only obstructions. But they too were warned that some kind of currency bill would certainly be enacted; and the President said kindly, but firmly, that he would be delighted to have the assistance of the patriotic bankers and business men in working out the right kind of currency legislation. But whether that assistance came or not, a currency bill would be enacted.

In August the Bankers' Conference at Chicago considered the bill in detail and from every standpoint, and serious differences arose in that body as to the wisdom of the bill. But one banker remarked "if we cannot agree among ourselves as to the kind of currency law that is needed, what can we expect of Congress?" Before this conference adjourned, however, a better spirit prevailed and several very important amendments to the bill were proposed which seemed to call the attention of Congress to certain features that were open to criticism.

The attitude of the Administration toward legitimate

criticism from all sources allayed much of the uneasiness that had prevailed, and opposition began to give way to cooperation. The bankers generally were in favor of one central bank instead of twelve regional banks, although they were by no means unanimous on this point. One of the most stubborn fights, however, was made against the provision of the bill that denied representation on the Federal Reserve Board to banks. It was this fight that showed the President to be the real leader of the nation. The financial committee of the House was convinced that the bankers were right in insisting on representation on the Board. Mr. Carter Glass, the Chairman of the Committee, wrote to the President, urging him to change his attitude.

"About three days thereafter," Mr. Glass said, "there came to Washington a committee of the greatest bankers in the world. We were to go up to the White House and convince the President that he was totally wrong and impractical in his denial of representation on the Federal Reserve Board to the banks. I headed the procession perfectly confident that we were going to win our case and put the President to confusion. But he heard those great bankers, heard them courteously and deferentially and amiably. And after they had finished he quietly turned to us, and with those jaws firmly set, said:

" 'Gentlemen, I challenge any one of you to

name a Government institution in this country or a government commission in any civilized country of the earth upon which private interests have representation.'

"There was a deep silence. These great bankers were dumb. They did not undertake to answer him, and from that day I was converted. . . . You might as well say that the Interstate Commerce Commission, devised by the government to supervise the operations of the great railroads of the country, should have in its membership railroad presidents and railroad general managers as to say that the Federal Reserve Board to supervise the banking business should be selected in any measure by the banks themselves."

The middle of August found the Senate still discussing the tariff bill, the House trying to complete the currency bill, and the lobby enquiry was furnishing one sensation after another. The weather was distressingly warm, and Congress wanted to adjourn. The enthusiasm that characterized "unterrified Democracy" at the beginning of the term was waning. Time after time delegations of Congressmen would go to the White House to impress upon the President that they wanted to adjourn. They wanted the teacher to "break up" school. But the President intimated that he "had not the slightest idea of acquiescing in the adjournment with-

out the passage of the currency bill as well as the tariff bill."

Many Senators wished to finish the tariff, adjourn and leave the currency bill until next term; and while Congress was being congratulated for its work on the tariff, many of its members showed much impatience with the President's insistence that Congress should not adjourn until it had enacted also the currency and banking laws. And again he declared that he would use all the power he possessed to keep that body in session until this act was passed. And Congress remained in session.

With the tariff bill in the Senate and the currency bill in the House the sense of obligation to the country was too great, and the summer had passed before the former could be completed, and the latter was too near completion for the members to adjourn. Thus, by keeping one important measure close upon the heels of the other, he kept Congress at work until summer had passed. The country was amazed, and so was Congress.

The House passed the bill on September 18 with a majority so large, 285 to 85, that its partisan nature had largely disappeared. It was no longer a Democratic measure. However, all the Democrats but three supported it and thirty-nine Republicans and Progressives voted for it. But the country was not willing for it to become a law in the shape that it came from the

House. And it was already apparent that the bill would have rough sledding in the Senate. There was a feeling that the House had rushed the matter through without sufficient deliberation. Seeing that the Senate was hostile to many features of the House bill, President Wilson announced that he would give up his proposed vacation in order to devote all of his time to Congress. He was still "diligently trying to collect all the brains that are borrowable," and he needed all that he could borrow since the contest was resolving itself into a fight now between the President and certain Senators.

President Wilson greatly desired that final action should be taken on the bill before adjournment. When he signed the tariff bill, he said that the tariff legislation was "the accomplishment of only half the journey. . . . We shall take the second step in the currency bill, which the House has already passed, and which I have the utmost confidence the Senate will pass much sooner than some pessimistic individuals believe." However, he was regarding with some anxiety the delay and the disagreement in the Senate Committee, and it was reported that he was seriously inclined to make public addresses on the subject in the states of the Democratic Senators who insisted on prolonging the hearings and demanded radical amendments. The Senate, however, could not be hurried. Chairman Owen desired that hearings should come to an end.

But he was voted down, and there were many indications of severe friction. President Wilson conferred with both Republican and Democratic Senators, hoping to hasten the Committee's action, and his faith in the final outcome was an encouragement to his supporters in Congress.

Notwithstanding the President's confidence and optimism, many of the Senators saw a gloomy and perilous road ahead. The bill seemed to be stuck in the committee room. The Finance Committee was disposed to change the bill very materially. In fact, Mr. Frank A. Vanderlip, President of the National City Bank of New York, one of the largest banks in the country, offered a substitute, providing for one central bank as opposed to the Administration's regional banks, and the central bank feature seemed to be growing in favor in the Senate. The committee was of the opinion that Government officials should not sit on the Federal Reserve Board; that better protection should be given to the two per cent government bonds then pledged against circulation; and that the proposed relations between national banks and regional banks would be unjust to the national banks. After a most thorough discussion the President yielded somewhat on these last two points. But he remained absolutely unchanged in his opposition to the central bank and to the membership of the Federal Reserve Board as proposed by the bankers. There were other minor points of difference.

But the fight was now waged chiefly at these two points.

The committee made such slow progress that the Senate leaders called a caucus, intending, it was assumed, to make the House bill a party measure and take it out of the Senate Committee's hands. The President was endorsing all the main features of the Glass-Owen bill, but had showed a disposition to yield one or two points as indicated above. He was firmly opposed to the idea of the central bank and it was openly talked that he would veto the action of Congress if the currency bill passed containing that feature.

The first of November came and still the Committee could not agree. In fact, the majority seemed to be opposed to the Administration bill, and instead of one bill, three bills were about to come forth. During the fight in the Senate, the House was complaining because it had to remain in session while the Senate was doing little better than marking time. By the middle of November the Administration Senators, having grown impatient of the delay, bolted and held separate meetings, and a few days later it was decided to present the Administration bill, the substitutes and certain amendments separately, and on November 25, Chairman Owen opened the debate in the Senate.

All hope for the bill during the special session was now gone, since only six days intervened before the opening of the 63rd Congress, and another effort to adjourn was made, but the President's influence was too great.

Congress was not only held together, but it was decided to hold night sessions and to give no recess during the Christmas holidays, except Christmas Day, unless the bill was passed. The friends of the measure had prepared themselves for a regular siege.

The task of carving out a great masterpiece was too great to be rushed through to completion. A majority of the Senate could be secured to remain in session and to work day and night, but the Senate would not hurry. The November elections indicated that the country was behind the Administration, and President Wilson's position was strengthened. Throughout the exciting days of the last of November he exhibited such calmness and such confidence that his supporters in the House and Senate were encouraged to stand solidly behind him.

Such was the condition of affairs on December 1, when the Special Assembly came to a close. President Wilson had performed the feat of holding Congress together in continuous special session not only through the summer, but through the autumn months, and this in spite of the completion, two months before the adjournment, of the great task for which it was primarily assembled. The special assembly adjourned on December 1, and on the next day the 63rd Congress convened, and again President Wilson appeared before the joint session of the two Houses to report, in accordance with the provision of the Constitution, on the state

of the country. He referred to the currency bill in these few words:

"You already have under consideration a bill for the reform of our system of banking and currency, for which the country waits with impatience, as for something fundamental to its whole business life and necessary to set credit free from arbitrary and artificial restraints. I need not say how earnestly I hope for its early enactment into law. I take leave to beg that the whole energy and attention of the Senate be concentrated upon it until the matter is successfully disposed of. And yet I feel that the request is not needed—that the Members of that great House need no urging in this service to the country."

And the debate was resumed. Day after day and night after night the details of the bill were threshed out, and after a week's discussion, it was openly talked around the Capitol that the House and the Senate were hopelessly divided and that President Wilson's leadership would be destroyed with the defeat of the bill. There were still a few Democrats who were unable to forgive the President for his triumph in the tariff fight and for the power that had been gathered into his hands. There were others of both parties who still believed the currency bill was too imperfect to become

a law. The Democratic leaders, therefore, became somewhat pessimistic; the press sought eagerly for some signs of a compromise; and Senators and Members were preparing to give up their Christmas holidays.

However, callers from the White House brought back the intelligence that the President, instead of being excited or disappointed, was as calm and as serene as ever, and that he was confident the Senate and the House would agree, and the debate continued, not only in the Senate but throughout the nation.

Finally on December 19 the Senate was ready to vote. Some of the amendments to the Administration bill were lost by only three votes, and in one instance it required the vote of the Vice-President. It was this narrow margin that had prolonged the debate and made every detail of the bill come under close inspection. But on the final vote the bill was adopted, 54 to 34. Many changes had been made since it was passed by the House. But after a conference of three days the House and the Senate reached an agreement, and on December 23 Congress arrived at "the second stage in the journey to the new Freedom."

There was great rejoicing in the nation. In every section of the country the press was declaring that President Wilson and his associates in enacting the banking and currency laws had achieved the greatest triumph in a century. Moreover, it was the consensus of opinion that members of all parties and of both

Houses of Congress showed sincerity and patriotism in their efforts to reform the currency and that they grew immensely, during the months of heated debate, in their knowledge of the principles of banking and monetary science. Furthermore, the business of the country was pleased with the outcome, and, almost without exception, the expressed opinions declared that the bill would be acceptable to the country at large, and a great tribute was paid to the skillful leadership of President Wilson, whose power and prestige was again increased, since, through his leadership, Congress had performed "a legislative miracle."

When the bill was passed, Congress adjourned for the holidays. But committees from both Houses carried the newly created masterpiece to the White House to obtain the signature of the President, and they were able to lay before him, as the result of their labor, a new system that was guaranteed to correct the evils that the nation had suffered from for nearly a half century.

1. It discarded the old system of bond secured currency and reserve fund by basing currency upon commercial assets so that it would respond automatically to the commercial, industrial, and agricultural requirements.

2. It created not less than eight nor more than twelve regional reserve banks and provided for the transfer of the reserve funds to these geographical

centers for the ready use of the respective sections in the accommodation of legitimate business, and made the resources of the whole country available for immediate use.

3. It provided for the expansion of foreign trade by authorizing the establishment by national banks of foreign branches, thus giving American business in foreign countries advantages equal to those of competing business.

4. It created a board of control over banking similar to that of the Interstate Commerce Commission over the railroads.

Such were the outlines of the masterpiece that had been carved out for the nation after one of the most stubborn fights in Congress since the Civil War. But it was at last accomplished, and the workmen who helped to fashion the piece came from the whole nation. President Wilson had "borrowed brains" from editors, magazine writers, economists, bankers, manufacturers, farmers, railroad presidents and industrial workers wherever interest was created. It was natural, therefore, that he should exhibit more than a little pride in the completion of the work, which, it was declared, was sufficient "to make any Administration immortal." After signing the bill, he spoke these words to those who were standing around his table:

"It is a matter of real gratification to me that

in the case of this bill there should have been so considerable number of Republican votes cast for it. All great measures under our system of government are of necessity party measures, for the party of the majority is responsible for their organization and their passage; but this cannot be called a partisan measure.

"It has been relieved of all intimation of that sort by the cordial cooperation of men on the other side of the two houses, who have acted with us and have given very substantial reasons and very intelligent reasons for acting with us, so that I think we can go home with the feeling that we are in better spirits for public service than we were even when we convened in April.

"As for the bill itself, I feel that we can say that it is the first of a series of constructive measures by which the Democratic party will show that it knows how to serve the country. In calling it the first of a series of constructive measures, I need not say that I am not casting any reflections on the great tariff bill which preceded it. This tariff bill was meant to remove those impediments to American industry and prosperity which had so long stood in their way. It was a great piece of preparation for the achievement

of American commerce and American industry, which are certainly to follow.

"Then there came upon the heels of it this bill which furnishes the machinery for free and elastic and uncontrolled credits, put at the disposal of the merchants and manufacturers of this country for the first time in fifty years. I was refreshing my memory on the passage of the national bank act, which came in two pieces, as you know, in February of 1863 and in June of 1864; it is just fifty years ago since that measure suitable for that time was passed, and it has taken us more than a generation and a half to come to an understanding as to the readjustments which were necessary for our own time. But we have reached those readjustments.

"I myself have always felt when the Democratic party was criticized as not knowing how to serve the business interests of the country that there was no use of replying to that in words. The only satisfactory reply was in action. We have written the first chapter of that reply.

"We are greatly favored by the circumstances of our time. We come at the end of a day of contest, at the end of a day when we have been scrutinizing the processes of our business, scrutinizing

them with critical, and sometimes with hostile eye. We have slowly been coming to this time which has now, happily, arrived, when there is a common recognition of the things that it is undesirable should be done in business and the things that it is desirable should be done. What we are proceeding to do now is to organize our peace, is to make our prosperity not only stable but free to have an unimpeded momentum.

"It is so obvious that it ought not to be stated that nothing can be good for the country which is not good for all of the country. Nothing can be for the interest of the country which is not for the interest of everybody; therefore, the day of accommodation and of concession and of common understanding is the day of peace and achievement and of necessity. We have come to the beginning of the day. Men are no longer resisting the conclusions which the nation has arrived at as to the necessity of readjustments of its business.

"Business men of all sorts are showing their willingness to come into this arrangement, which I venture to characterize as the constitution of peace. So that by common counsel, and by the accumulating force of cooperation, we are going to seek more and more to serve the country.

"I have been surprised at the sudden acceptance of this measure by public opinion everywhere. I say surprised because it seems as if it has suddenly become obvious to men who had looked at it with too critical an eye that it was really meant in their interest.

"They have opened their eyes to see a thing, which they had supposed to be hostile, to be friendly and serviceable—exactly what we intended it to be, and what we shall intend all our legislation to be. The men who have fought for this measure have fought nobody. They have simply fought for those accommodations which are going to secure us in prosperity and in peace. Nobody can be the friend of any class in America in the sense of being the enemy of any other class. You can only be the friend of one class by showing it the lines by which it can accommodate itself to the other class. The lines of help are always the lines of accommodation.

"It is in this spirit, therefore, that we rejoice together tonight, and I cannot say with what deep emotions of gratitude I feel that I have had a part in completing a work which I think will be of lasting benefit to the business of the country."

CHAPTER VI

THE DESTRUCTION OF MONOPOLY—THE THIRD STAGE OF THE JOURNEY

"There has been something crude and heartless and unfeeling in our haste to succeed and be great," President Wilson said in his inaugural address. "Our thoughts have been, 'let every man look out for himself, let every generation look out for itself,' while we reared giant machinery which made it impossible that any but those who stood at the levers of control should have a chance to look out for themselves." His ruling passion was to bring back to the nation that old freedom that existed when the fathers set up a new nation on this continent, when the small as well as the great had "a chance to look out for themselves." To restore such liberty in this very complex business age was an ideal. Was it possible of realization?

The withdrawal of governmental protection through tariff revision was the first step. A new banking law and a commission, with power over banking to see that the great financial currents flow from the heart of the nation to the weak and depressed centers at a time when the need of this life blood is greatest, was the second

step. But still the question was not answered. However, President Wilson assured the nation that, if Congress would take this third step as heroically as it took the first two, the question would finally be answered. Even before the second step was taken, he declared in his address to Congress on December 2, 1913:

"I think that all thoughtful observers will agree that the immediate service we owe the business communities of the country is to prevent private monopoly more effectually than it has yet been prevented. I think it will be easily agreed that we should let the Sherman anti-trust law stand unaltered, as it is, with its debatable ground about it, but that we should as much as possible reduce the area of that debatable ground by further and more explicit legislation, and should also supplement that great act by legislation which will not only clarify it, but also facilitate its administration and make it fairer to all concerned. No doubt we shall all wish, and the country will expect this to be the central subject of our deliberations during this session; but it is a subject so many-sided and so deserving of careful and discriminating discussion that I shall take the liberty of addressing you upon it in a special message at a later date than this. It is of capital

importance that the business men of this country should be relieved of all uncertainties of law with regard to their enterprises and investments, and a clear path indicated which they can travel without anxiety. It is as important that they should be relieved of embarrassment and set free to prosper as that private monopoly should be destroyed. The ways of action should be thrown wide open.''

He was constantly calling the attention of the people to this fact, that it was only just to business men for Congress to relieve them of all uncertainty. This was his excuse for driving the tariff through. The same argument was used when Senators and Members balked at attempting the second stage of the journey. ''Set business free'' was his earnest appeal. Take the boss down and let the ways of action be thrown wide open. But this language the captains of industry could not understand.

All of the great corporations, called ''trusts,'' had been formed under the Sherman anti-trust law, which was enacted over a quarter of a century ago. It seems that nobody had ever known how to apply the law to a particular case, since it did not cover exactly every important feature in the organization and growth of the modern corporation. On the other hand, it became very

patent that methods of certain corporations in crushing out business rivals were criminal, even under the common law and inexcusable in a country where justice was supposed to prevail. Therefore, the hatred of the people for trusts and trust methods and even for "trust made goods" had reached a critical stage. This feeling was accompanied by a list of indictments brought under the Sherman anti-trust law which are well known today.

Instead of being a healthy preventive, however, the Sherman law was fast becoming a most dangerous instrument in the hands of demagogues, politicians and lawyers. As prosecutions and persecutions continued, court opinions so construed the law from time to time that it had become a patchwork of legislative enactment and judicial decisions. The meaning was so uncertain that any corporation, good or bad, might become a prey to designing lawyers or might be held up by demagogues and politicians, and the agitation kept business in a depressed state and the nation in a panicky condition.

President Wilson was determined that monopoly should be destroyed and that "the business men of this country should be relieved of all uncertainty of the law with regard to their enterprises and investments and a clearer path indicated which they can travel without anxiety." And before the currency law was enacted, he notified Congress that he would address them "in a special message at a later date than this." This was the signal for another set of committees to begin shaping

remediable anti-trust bills, and when Congress convened after the Christmas holidays, the press notified the people of the country that the next "target" would be Big Business. Such was the editorial interpretation of President Wilson's statement, "I want to see suspicion dissipated. I want to see the time brought about when the rank and file of the citizens of the United States who have a stern attitude towards the business men of the country shall be absolutely done away with and forgotten."

It was with considerable anxiety, therefore, that the nation awaited the President's address, and business seemed to be very unsteady. It had been the "target" of the Administration for nine months, and by this time the sympathies of the people were beginning to turn. There was unquestionably an industrial depression. Reports of interviews with merchants and bankers, however, did not give the impression that business was less sound, but a strange fear seemed to be fastening itself gradually upon the minds of the people. Mr. Oscar Underwood, Chairman of the Ways and Means Committee of the House, admitted that industrial depression existed, but he declared that it began before Woodrow Wilson was elected President. Mr. John Wanamaker, however, is reported to have remarked that "the man who sees nothing but disaster ahead is not a true American. The breeders of panic ought to be deported."

Such was the state of the public mind on January 30

when Mr. Wilson appeared at the Capitol to deliver the already expected and widely heralded address, which, it was predicted, would be the signal for the beginning of the great conflict. On this occasion he went more into detail than in any previous address, pointed out certain weaknesses in the Sherman law, and stated specifically what was necessary to complete the destruction and prevent the creation of monopoly, and relieve the business men of all uncertainties of the law.

"In my report 'on the state of the Union,'" he began, "which I had the privilege of reading to you on the 2nd of December last, I ventured to reserve for discussion at a later date the subject of additional legislation regarding the very difficult and intricate matter of trusts and monopolies. The time now seems opportune to turn to that great question; not only because the currency legislation, which absorbed your attention and the attention of the country in December, is now disposed of, but also because opinion seems to be clearing about us with singular rapidity in this other great field of action. In the matter of the currency it cleared suddenly and very happily after the much debated Act was passed; in respect of the monopolies which have multiplied about us and in regard to the various means

by which they have been organized and maintained, it seems to be coming to a clear and all but universal agreement in anticipation of our action, as if by way of preparation, making the way easier to see and easier to set out upon with confidence and without confusion of counsel."

It was an accepted principle that "private monopoly is indefensible." However, the President argued that great business men who organized and financed monopoly either denied its existence or justified it as necessary for the effective maintenance and development of the vast business processes of the country in the modern circumstances of trade and manufacture and finance. But he declared that the time had come at last to act, that the experience of a whole generation would justify a new interpretation and that the masters of business had already begun "to yield their preference and purpose, perhaps their judgment also, in honorable surrender." What, then, was the task ahead of Congress?

"What we are purposing to do," he said, "is, happily, not to hamper or interfere with business as enlightened business men prefer to do it, or in any sense to put it under the ban. The antagonism between business and government is over. We are now about to give expression to the best

business judgment of America, to what we know to be the business conscience and honor of the land. The government and business men are ready to meet each other half way in a common effort to square business methods with both public opinion and the law. The best informed men of the business world condemn the methods and processes and consequences of monopoly as we condemn them; and the instinctive judgment of the vast majority of business men everywhere goes with them. We shall now be their spokesmen. That is the strength of our position and the sure prophecy of what will ensue when our reasonable work is done."

He then declared that it was possible to bring about the needed reform without seriously disturbing business. "No measures of sweeping or novel change are necessary, but," he said, "we desire the laws we are now about to pass to be the bulwarks and safeguards of industry against the forces that have disturbed it." And both public opinion and business, he declared, were waiting for the changes to be made.

"It waits with acquiescence, in the first place, for laws which will effectually prohibit and prevent such interlockings of the *personnel* of the

directorates of great corporations—banks and railroads, industrial, commercial, and public service bodies—as in effect make those who borrow and those who lend practically one and the same, those who sell and those who buy but the same persons trading with one another under different names and in different combinations, and those who affect to compete, in fact, partners and masters of some whole field of business. Sufficient time should be allowed, of course, in which to effect these changes of organization without inconvenience or confusion."

After speaking of the great advantages that would come to the people from such a change, he directed his remarks to the second reform needed.

"In the second place, business men as well as those who direct public affairs now recognize, and recognize with painful clearness, the great harm and injustice which has been done to many, if not all, of the great railroad systems of the country by the way in which they have been financed and their own distinctive interests subordinated to the interests of the men who financed them and of other business enterprises which those men wished to promote.

"The country is ready, therefore, to accept, and accept with relief as well as approval, a law which will confer upon the Interstate Commerce Commission the power to superintend and regulate the financial operations by which the railroads are henceforth to be supplied with the money they need for their proper development to meet the rapidly growing requirements of the country for increased and improved facilities of transportation. We cannot postpone action in this matter without leaving the railroads exposed to many serious handicaps and hazards; and the prosperity of the railroads and the prosperity of the country are inseparably connected.

"Upon this question those who are chiefly responsible for the actual management and operation of the railroads have spoken very plainly and very earnestly, with a purpose we ought to be quick to accept. It will be one step, and a very important one, toward the necessary separation of the business of production from the business of transportation."

A third change that was sorely needed, he argued, was further and more explicit legislative definition of the policy and meaning of the existing anti-trust laws.

"Nothing hampers business like uncertainty," he said. "Nothing daunts or discourages it like the necessity to take chances, to run the risk of falling under the condemnation of the law before it can make sure just what the law is. Surely we are sufficiently familiar with the actual processes and methods of monopoly and of the many hurtful restraints of trade to make definition possible, at any rate, up to the limits of what experience has disclosed. These practices, being now abundantly disclosed, can be explicitly and item by item forbidden by statute in such terms as will practically eliminate uncertainty."

The fourth important legislation that he asked for was an administrative body, an interstate trade commission to give advice and definite guidance and information to business men, in order that they might be able to avoid the pitfalls of the old Sherman anti-trust law.

"The business men of the country," he said, "desire such a commission, and the opinion of the country would instantly approve of it. But it would not wish to see this commission empowered to make terms with monopoly or in any sort to assume control of business, as if the government made itself responsible. It demands

such a commission only as an indispensable instrument of information and publicity, as a clearing house for the facts by which both the public mind and the managers of great business undertakings should be guided, and as an instrumentality for doing justice to business where the processes of the courts or the natural forces of correction outside the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the case."

The fifth enactment that he asked for was a clause in the law that would visit the penalty for violation of the act not upon business but upon individuals "who use the instrumentalities of business to do things which public policy and sound business practice condemn."

"Every act of business," he argued, "is done at the command or upon the initiative of some ascertainable person or group of persons. These should be held individually responsible and the punishment should fall upon them, not upon the business organizations of which they make illegal use. It should be one of the main objects of our legislation to divest such persons of their corporate cloak and deal with them as with those who

do not represent their corporations, but merely by deliberate intention break the law. Business men the country through, would, I am sure, applaud us if we were to take effectual steps to see that the officers and directors of great business bodies were prevented from bringing them and the business of the country into disrepute and danger."

The sixth request that he made of Congress was "to give private individuals who claim to have been injured by these processes the right to found their suits for redress upon the facts and judgments proved and entered in suits by the government when the government has, upon its own initiative, sued the combinations complained of and won its suit."

He argued that "individuals who are put out of business in one unfair way or another by the many dislodging and exterminating forces of combination" are really at a serious disadvantage in trying to recover. Therefore, he said, "it is not fair that the private litigant should be obliged to set up and establish again the facts which the government has proved."

The seventh and last suggestion that his message contained called for a careful consideration of enterprises which are oftentimes "interlocked, not by being under the control of the same directors, but by the fact that

the greater part of their corporate stock is owned by a single individual or group of persons who are in some way intimately related in interest."

"We are agreed," he said, "I take it, that holding *companies* should be prohibited, but what of the controlling private ownership of individuals or actually cooperative groups of individuals? Shall the private owners of capital stock be suffered to be themselves in effect holding companies? We do not wish, I suppose, to forbid the purchase of stocks by any person who pleases to buy them in such quantities as he can afford, or in any way arbitrarily to limit the sale of stocks to *bona fide* purchasers. Shall we require the owners of stock, when their voting power in several companies which ought to be independent of one another would constitute actual control, to make election in which of them they will exercise their right to vote?"

He had at last disclosed his complete program and was approaching the end. A feeling of relief swept over the Senators and Members, and the nervous tension in the press galleries relaxed when he turned to his concluding paragraph.

"I have laid the case before you," he con-

cluded, "no doubt, as it lies in your own mind, so it lies in the thought of the country. What must every candid man say of the suggestions I have laid before you, of the plain obligations of which I have reminded you? That these are new things for which the country is not prepared? No; but that they are old things, now familiar, and must of course be undertaken if we are to square our laws with the thought and desire of the country. Until these things are done, conscientious business men the country over will be unsatisfied. They are in these things our mentors and colleagues. We are now about to write the additional articles of our constitution of peace, the peace that is honor and freedom and prosperity."

Such was the large program presented to Congress by President Wilson in January, 1914. The nation had been warned repeatedly that his anti-trust measures were surely coming. This was the occasion again for business to become somewhat panicky. Therefore, on the 20th of January the stage was set, and it was even predicted that the President and Big Business had at last come to the death struggle and the whole nation was breathless with expectation. A member of Congress declared that "the eight hundred or more trusts that now

dominate the industries of the country will put up a fight that will try men's souls."

However, after the message was delivered, captains of industries, railroad presidents, and even anti-Wilson newspapers praised the message, and it was noticeable that "stock values sprang to higher levels." It was now declared by leaders in both parties that the atmosphere was changing, "since there is a disposition on the part of great business industries of the country to meet the President in a fair and square method of adjusting their business transactions."

The message was such a surprise to those especially interested that extremists who favored destroying at once all monopoly, root and branch, declared that the message was a disappointment and that the President had "sold out." Legitimate business had been so harrassed by the threats of Congress and party leaders, that it had about despaired of securing justice. Moreover, illegitimate business had had its methods trailed through the newspapers and certain "malefactors" had even been sent to penitentiary. Therefore, the country had come to the conclusion at last that justice in spite of protest was about to be done.

The President's message gave legitimate business increased confidence and a more wholesome atmosphere; and illegitimate business, the hope that it, too, might be permitted to become respectable before the avenging wrath of a just ruler should overtake it. The

price of stocks and bonds showed a distinct gain the morning afterward, and the business men in every section of the nation were trying to believe in the President's assurance that "the antagonism between business and government is over."

The form of a great masterpiece had been outlined again and Congress was set to the task of carving out the delicate lines.

The President had learned from his fight with the Senate over the currency bill not to ask for haste. Moreover, the publication of the bills that were soon drafted to carry out his recommendations was accompanied by the promise of ample hearings on them and full debate. The programme was so comprehensive that both Senators and Members felt that much time was needed to give them all the consideration needed. There was considerable feeling in Congress, too, that an important measure such as the one before it should not be enacted during the same session in which it was proposed.

In the meantime the interlocked interests were being voluntarily unlocked. Hence, there seemed to be no pressing need for legislation along that line. Moreover, the tariff and currency laws were still new, and business had not made full adjustment to them. In fact, the new currency law was not yet in operation. Furthermore, there seemed to be no urgent public demand or public necessity for immediate enactment of any anti-trust measures. On the other hand, railroads were asking for

an increase of freight rates on the grounds of business depression, and there did appear to exist a serious lack of confidence in the great trade markets of the country.

At this time Congress began to consider seriously the advisability of abandoning the anti-trust measures, winding up the necessary business to be transacted, and adjourning at an early date. It was pointed out that Congress had been in practically continuous session for a much longer period than any previous Congress in the country's history, and its members naturally and properly wished to wind up the business at a date early enough to give them opportunity to prepare for the Congressional campaign.

President Wilson, however, was steadfast in his conviction that "nothing is more dangerous to business than uncertainty" and that it was "a great deal better to do the thing moderately and soberly now than wait until more radical forces had accumulated and it was necessary to go much further." Moreover, he was interviewing the leading business men of the country and talking with Chambers of Commerce and Boards of Trade; and when a group of manufacturers visited the White House in May and asked him to postpone carrying out the trust program on account of business depression, he is reported to have said that, while he was aware of such depression, there was abundant evidence to show that it was merely psychological and that there was "no natural condition or substantial reason why the business of

the country should not be in the most prosperous and expanding condition." His firm opposition to an adjournment before the pledges to the people were redeemed dispelled all hope of an early adjournment, and Members of both Houses saw another busy summer ahead of them, because the legislative mill was grinding too slowly for any large results at an early date.

The Administration's program was finally worked out in the House and embodied in three bills: (1) a bill creating an Interstate Trade Commission, (2) the Clayton Omnibus bill, and (3) the Railway Capitalization bill. These measures progressed so well in the House that by May 18 the debate began, and within less than three weeks (June 5) they passed the House and were carried to the Senate, where the great fight was scheduled. Here again they had to run the gauntlet of the committee rooms of the Senate. Every new feature added to them was a challenge to innumerable debates, and every elimination was a warning that in the end the bill itself might find a similar fate. There seemed to be an irreconcilable difference between the attitude of organized labor and organized capital over the bills, and the arguments that followed only served to show how far away the end was.

The Mexican trouble had reached an acute stage; the Panama tolls controversy was at a critical moment; and pressure was again brought to bear on the Administration to abandon the trust bills. Then during the month

of June, it appeared that the pressure was being felt, and it was freely talked that President Wilson had agreed to an adjournment in July. That left only about a month to complete the trust bills and transact all the other important business necessary; and the prediction was openly made that Congress would adjourn without passing the Administration measures.

Senators and Members faced another summer. They remembered only too well the mastery that the President had exercised over Congress the summer before—how he had held that body together in spite of the tremendous opposition to the tariff and the currency bills, and in spite of the desire on the part even of many friends of the measure to escape the intense heat of the capital.

They had been in session over twelve months. The young administration had now reached its second summer with a constitution strong enough to make the last and really the worst stage of the journey. But again many felt that the country would be best served by an adjournment until after "dog days."

However, the desperate opponents of the bill learned with much chagrin that President Wilson had no intention to postpone action. He was inexorable, notwithstanding the fact that Congress was tired and a new election was approaching.

The opposition then resorted to its old tactics. It began a campaign to bring great pressure to bear on Congress from the people "back home" and thus to frighten the

Members away from the measure. Letters were sent out asking every business man receiving them "to write letters of a similar character to the President, the Members of the United States Senate and House of Representatives from your state." When these letters were made public, they created almost as great a sensation as did the "Insidious Lobby" the year before. Such letters, the President suggested, showed the process by which the present psychological depression had been artificially created.

In the midst of this excitement he sent for the Democratic Steering Committee of the Senate, reiterated his belief that actual business conditions were normal and improving, and asserted with emphasis that all the influence he possessed would be exerted against the adjournment of Congress without the completion of its anti-trust program. He declared, furthermore, that the most unsettling thing that could happen to business would be to be left for six or eight months longer in uncertainty as to what form the promised anti-trust legislation would take, and he insisted with a show of impatience that business ought to be more interested in ending the fight than in postponing it.

It seemed to be quite evident, however, that Congress, if left to itself, would adjourn within a few weeks. Democratic leaders were asserting that an adjournment would be reached anyway by August 1, although it was admitted that Mr. Wilson still had sufficient authority to hold

Congress to its work all summer, if he so desired. A proposition was made that had considerable backing to adjourn Congress on August 1, with the understanding that it was to be summoned in extra session directly after the November election. The idea was that all the left-over bills, including the anti-trust bills, could be acted upon before January. But again the President was reported to be in an "unyielding mood."

He had declared that business depression was due more to psychological causes than actual unsoundness. However, the press of the country retorted by asserting that thirteen important railroads were in the hands of receivers, with three others on the verge of receiverships. Moreover, the financial records showed that more than forty large corporations passed their dividends that year, and it was extremely difficult to obtain mercantile loans from country banks. While this discussion was rife, the H. B. Claflin Company of New York failed. This was the greatest bankruptcy in the history of the American dry goods business, since it controlled twenty-seven department retail stores and was associated with ten more. These facts were used with much force throughout the country to convince the Members of the House and Senate that the Administration anti-trust bills should not be passed at a time when business was so depressed. However, if there was any large number of people who believed that a cry of hard times, or overworked Congressmen, or approaching defeat at the November elec-

tions, or even serious business depression would move Mr. Wilson from his position, they were sadly disappointed. He was immovable in his conviction that the greater the depression, the more urgent was the demand for legislative action—a view-point that many business men could not understand.

On June 25, while the Claflin failure was being discussed in every city in America, President Wilson addressed a delegation of Virginia editors, and he took the occasion to make his position clear to the whole country.

"I think it is appropriate," he said, "in receiving you, to say just a word or two in assistance of your judgment about the existing conditions. You are largely responsible for the state of public opinion. You furnish the public with information and in your editorials you furnish it with the interpretation of that information.

"We are in the presence of a business situation which is variously interpreted. Here in Washington, through the Bureau of Commerce and other instrumentalities that are at our disposal and through a correspondence which comes to us from all parts of the nation, we are perhaps in a position to judge of the actual conditions of business better than those can judge who are at any other single point in the country;

and I want to say to you that as a matter of fact the signs of a very strong business revival are becoming more and more evident from day to day."

Then, for a while, he spoke of the panicky feeling and the fears and criticisms that had come from business men. But he declared:

"There is nothing more fatal to business than to be kept guessing from month to month and from year to year whether something serious is going to happen to it or not, and what in particular is going to happen to it, if anything does. It is impossible to forecast the prospects of any line of business unless you know what the year is going to bring forth. Nothing is more unfair, nothing has been declared by business men to be more harmful, than to keep them guessing."

He was constantly trying to impress this fact upon the people and even upon the business men themselves. But it was very apparent that they preferred a profitable uncertainty such as the past had been to many. Mr. Wilson then reviewed the history of this depression, going back to the beginning of the tariff agitation and coming on down through the stubborn fight for currency reforms.

"Then we advanced to the trust program," he said, "and again the same dread, the same hesitation, the same urgency that the thing should be postponed. It will not be postponed, and it will not be postponed because we are the friends of business. We know what we are doing. We purpose to do it under the advice—for we have been fortunate enough to obtain the advice—of men who understand the business of the country, and we know that the effect is going to be exactly what the effect of the currency reform was, a sense of relief and of security.

"Because when the program is finished, it is finished; the interrogation points are rubbed off the plate, business is given its constitution of freedom and is bidden to go forward under that constitution. And just so soon as it gets that leave and freedom there will be a boom of business in this country such as we have never witnessed in the United States.

"I, as a friend of business and a servant of the country, would not dare stop in this program and bring on another long period of agitation. Agitation longer continued would be fatal to the business of this country, and if this program is delayed, there will come agitation,

with every letter in the word a capital letter. The choice is a sober and sensible program, now completed, or months upon months of additional conjecture and danger.

"I for one could not ask the country to excuse a policy which subjected business to longer continued agitation and uncertainty; and, therefore, I am sure that it is beginning to be evident to the whole press of this country, and by the same token, to the people, that a conservative program is at last not only to be imposed, but completed, and that when it is completed, business can get—and will get what it can get in no other way—rest, recuperation, and successful adjustment. I cannot get rest if you send me to bed wondering what is going to happen to me in the morning; but if you send me to bed knowing what the course of business is to be tomorrow morning, I can rest. How much better is *certain* justice to the men engaged in business.

"It is a matter of conscience, as well as a matter of large public policy, to do what this Congress, I am now certain, is going to do—finish the program. And I do not think that it is going to take a very long time. I believed that the temper of those engaged in this great thing is

admirable, that the various elements sometimes in antagonism in the Congress of the United States are growing together and that we shall witness an early statesmanlike result from which we shall all have abundant reason to be thankful."

Mr. Wilson's faith in the final outcome strengthened the working force in Congress. His determination not to postpone action gave impetus to its Members, and his open and unqualified assurance, constantly repeated, that "we are the friends of business," that "we have been fortunate enough to obtain the advice of men who understand the business of the country," gave them more confidence in the final outcome of the fight and strengthened the Administration both in Congress and in the nation.

"It will not be postponed!" And the Senate Democrats in caucus agreed July 1 to remain in session until the trust bills were disposed of. Mr. Wilson had about convinced the leaders of the country, too, that instead of tearing up or destroying business, the trust bills were the remedies for many evils that modern business was heir to, and he was determined to end the war on business. He took every occasion to stress this point. Certain bankers were opposed to the currency laws when these laws were for their benefit, and now the trust measures were being vigorously opposed although they

were for the benefit of the large corporations as well as of the people. But Big Business was so accustomed to see legislation initiated that was hostile to it, that it could not understand legislation that was really for the benefit of all legitimate business. It was afraid of the Greeks bearing gifts.

Senate committees were working away on the three bills. Public hearings brought advice and hostile criticism from every state in the Union. The President was now resorting to his favorite tactics again. He, as well as the Senate committees, was consulting the leading business men of the nation. Bankers from New York, manufacturers from the Northwest, and business men of the West and South were consulted. He was using all the brains that he could borrow. Soon the report went out to the world that these prominent business men were, after all, not much opposed to the measures, but that they did express their opposition to certain objectionable features. These conferences were bringing a better understanding between the Administration and the entire business world.

When Congress first met to consider revising the tariff, Mr. Wilson held counsel chiefly with trusted members of his own party. Protectionists he did not care to talk with, and it is said that when men of prominence called on him, if they were known to be monopolists or advocates of monopoly, he admitted them to his presence, "but without enthusiasm and only after seeing to

it that the door should be left ajar to guarantee the pitilessness of requisite publicity.''

However, as he became more and more acquainted with the country, and the rise and fall of public enthusiasm, his coldness and seclusion changed somewhat toward this class of citizens, and now that masters of business were directly concerned in the outcome of this last stage of the journey that the nation was taking, he very cordially admitted them into his counsel and sought their advice.

In the midst of these consultations he sent in his nominations for membership on the Federal Reserve Board. The new currency law was about to be put into operation, and he showed his confidence in the integrity of the masters of finance by appointing on this board Mr. Paul M. Warburg, a partner in the great banking house of Kühn, Loeb and Company, and Mr. Thomas D. Jones, a director of the Harvester Company.

These appointments aroused much opposition to the President in the Senate, where the anti-trust bills were still pending. And they were referred to as ''the most striking evidence of the President's change of mind'' toward business and business men. The greatest opposition developed against Mr. Jones because of his connection with the Harvester Company, whose methods the government was then investigating, although Mr. Jones held only one share of stock in the company.

The country seemed to be receiving the wrong impres-

sion concerning these men. Therefore, Mr. Wilson made the following declaration:

"It would be particularly unfair to the Democratic party and the Senate itself to regard it as the enemy of business, big or little. I am sure that it does not regard a man as an object of suspicion merely because he has been connected with great business enterprises. It knows that the business of the country has been chiefly promoted in recent years by enterprises organized on a great scale and that the vast majority of the men connected with what we have come to call 'big business' are honest, incorruptible and patriotic. The country may be certain that it is clear to members of the Senate, as it is clear to all thoughtful men, that those who have tried to make 'big business' what it ought to be are the men to be encouraged and honored whenever they respond without reserve to the call of public service.

"I predict with the greatest confidence that nothing done by the Democratic majority of the Senate of the United States will be of a sort to throw suspicion upon such men. Mr. Jones and Mr. Warburg, in manifesting their willingness

to make personal sacrifices and put their great experience and ability at the service of the government, without thought of personal advantage, in the organization of a great reform which promises to be so serviceable to the nation, are setting an example of patriotism and public spirit which the whole country admires.

"It is the obvious business of statesmanship at this turning point in our development to recognize ability and character whenever it has been displayed and unite every force for the upbuilding of legitimate business along the new lines which are now clearly indicated for the future."

Mr. Warburg was accepted but Mr. Jones was rejected.

For more than a year the Administration had been directing its force against the methods of organized business. During that entire time business was very unresponsive, notwithstanding the tremendous resources of the country. The President insisted that no just reason existed for this depression. But it was a fact that business had lost its old-time buoyancy. The old emotions would not respond, doubtless, because the old stimulus had led to many unjust acts which were at this time the object of executive inquiry and legislative control. President Wilson had asserted so vigorously that the cause

of the depression was mainly psychological that even business was about to believe it.

However, during this same period there was going on in Europe an adjustment of the finances owing to the Balkan War and other disturbing causes. Moreover, in America, the Mexican War and the possibilities of serious international complications were affecting trade and disturbing the money markets. And at this time, when the Senate was seriously considering the question of adjourning and leaving the trust bills until a later session, the nations of Europe were still under the dread of further complications from the Balkan War, and they seemed to feel the hot breath of the approaching war god. All these extraordinary conditions had tremendous effect on business. Actual business conditions were sound, but the dread of what might happen tomorrow made business as inactive as the life of trade would permit. Therefore, while the business men were engaged, and very seriously engaged, in studying these larger continental and world possibilities, they were pestered by the thought of what a Democratic Congress might do. It was irritating them to the limit of endurance.

Mr. Wilson, however, had contended from the first that if the business of the country would understand the motives of the Administration in its so-called attack on business, all fears would be removed. The program did not contemplate a disturbance of business, but its great purpose was to set business free, and now (June 8,

1914), fifteen months after the first step was begun, President Woodrow Wilson, having about completed the three great steps of his New Freedom, was appealing to the Senate, "that those who have tried to make 'big business' what it ought to be are the men to be encouraged and honored whenever they respond without reserve to the call of public service." There was still a severe fight ahead before the trust bills would be at all assured. But soon they, like the currency bill, began to lose much of their partisan characteristics. The nation's artists were seriously and industriously carving out the third great masterpiece.

It was not until the last of July that the debate on the trust bills began in the Senate, and it had progressed only a few days when humanity's worst fears were realized—the great European war burst upon the world. However, the great fight on the Administration's program was about over. On August 5, four days after the beginning of the great war, the Senate passed the bill creating the Federal Trade Commission by a large majority—56 to 16. The Clayton Omnibus bill was delayed for nearly another month, but on September 2 it also passed the Senate by a large majority. The Senate had made several important amendments to both bills, and it was not until September 10 that the Federal Trade Commission was finally enacted into law, and on October 5 the Clayton Omnibus bill became a law. Thus ended the long fight. The European war was creating

new issues, and Congress was unable to adjourn until certain temporary war measures were enacted. Then, on October 24, the long Congress came to a close, after having been continuously at work for 567 days—the longest period in the history of the country.

The House sent over to the Senate three trust bills. But only two finally became laws. The Railway Capitalization bill was lost in the Senate. However, the other two laws—the Federal Trade Commission and the Clayton Omnibus Anti-trust act—included the larger part of the President's programme.

The Trade Commission Act establishes a Federal Trade Commission similar to the Interstate Commerce Commission, with the following duties and powers:

1. It transfers to this Commission the powers and duties of the Bureau of Corporations and increases these duties in relation to the investigation of the affairs of corporations and of business methods and practices in general and in particular.

2. It is empowered to prevent unfair competition and to investigate, upon application of the Attorney-General, and to make recommendations for the readjustment of the business of any corporation alleged to be violating the Anti-trust act, in order that it may thereafter conduct its business in accordance with law.

3. It is authorized to classify corporations and make rules and regulations for the enforcement of the act.

4. It is charged with the duty to investigate trade

conditions in and with foreign countries, where associations, combinations, or practices of manufacturers may affect our foreign trade, and to report thereon to Congress.

5. It makes the Commission an accessory to the courts for the preparation and execution of their decrees in anti-trust cases.

The Clayton Anti-Trust Act is an omnibus measure, combining various provisions for curbing trust activities. Its purpose is to complete the destruction of existing monopoly and to prevent the birth of further monopoly. Its specifications are as follows:

1. Price discriminations and tying-contracts are made unlawful when they substantially lessen competition.

2. It forbids the existence of holding companies when they restrain commerce or tend to establish monopoly.

3. Interlocking directorates among banks with resources of more than $5,000,000 must cease after two years.

4. It provides that no one shall be an officer or director of more than one bank, and no person shall be a director in two or more large corporations if the corporations are competitors.

5. It provides that in case of private damage suits under the anti-trust laws, the decree in any government suit against the same defendant shall constitute *prima facie* evidence for the purposes of the private suits.

A comparison of these specifications with the recommendations of the President in his address to Congress on January 20 will show how completely his recommendations were finally embodied into law.

CHAPTER VII

THE END OF THE OLD REGIMÉ

President Wilson outlined in his inaugural address with some degree of particularity the things that he considered ought to be altered in order that every process of our national life might again square with the standard "we so proudly set up at the beginning." But after eighteen months of hard work—a work of restoration, what is the result?

The pressure of the European war has been so severe that men's minds have been wrenched violently away from those days when the President and Congress were approaching new affairs and perfecting the means by which this government may be put at the service of humanity. Therefore, the marvelous achievements in their totality have drifted out of men's consciousness. Some remember that period because of one act, while others because of a wholly different act. But the permanent benefit to the whole country will have to be measured later, when all adjustments have been completed and society, as a whole, responds to this new safeguarding of property and individual rights. Not until then can the historian adequately appraise the benefits to this nation. But what changes were made

in the functions of government that made the first half of Wilson's administration the end of an era?

The country at large believed that the old protective tariff in operation for so many years violated the just principles of taxation and cut the country off from its proper part in the commerce of the world. A new tariff law, therefore, was enacted in which neither lobby nor special interests had a hand in the making, but in which the people of the United States—laborers as well as manufacturers—have a fair opportunity to judge whether such a measure that has been an issue for a century is a panacea for industrial evils in this modern business age. Moreover, an income tax law was coupled with this new tariff law in order to meet the expected deficiency in the revenue and throw more of the burden of support upon great wealth rather than upon labor.

In the place of the old *laissez faire* doctrine of individual license, that had resulted in a comparatively few men, more powerful than the rest, gaining control of the processes of government and the industrial life of the people, a government by commission was inaugurated. Commissions were clothed with authority to exercise "a watchful interference" over the selfish designs of men and protect the liberties of the people by preserving free and fair competition in this industrial age. This change in the processes of government is perhaps the most far-reaching in its consequences of any legislation since the beginning of the nineteenth century.

The currency of the country was taken out of the hands of self-appointed trustees of the nation and placed in the hands of a government commission, the Federal Reserve Board. By this act the money-changers were driven from the temple of the nation and the currency of the country will henceforth flow in the interest of the little banker as well as the powerful money baron, in the interest of the laborer as well as the captain of industry. The nation applauded this act and proclaimed abroad that "The Federal Reserve Law is enough to make any administration illustrious in history."

Great corporations were also placed in the hands of a commission—the Federal Trade Commission. No longer would the captains of industry and finance be permitted to sit "at the levers of control" and make or mar at will the fortunes of friendly or rival concerns. The watchful interference of this commission was designed to permit young industries to develop without fear of the great corporations. Moreover, it was designed to direct the great as well as the small into safer channels where designing politicians and unscrupulous lawyers, who once fattened on the old Sherman Anti-trust law and kept business panicky, would be deprived of an unholy instrument.

The powers and duties of the Interstate Commerce Commission were increased. This was the first of the commissions to be established and it served as a model for guidance in creating the other two. It was now

empowered to exercise a certain control over the business transactions of railroads and other common carriers where free and fair competition might be interfered with.

Through these commissions—the Federal Reserve Board, the Federal Trade Commission, and the Interstate Commerce Commission—the large fields of business, finance and industry were brought under governmental control. This work of restoration that President Wilson outlined at the beginning of his administration was now completed and the nation's Constitution of Peace was written.

However, there were still other things necessary to be done. But they pertained especially to the conservation and development of our national resources for the benefit of the whole people. President Wilson declared that Congress should address itself to this new problem with the same vigor that it employed in inaugurating a new government by commission. Nor did the administration wait. The President called the nation's attention to the fact that our agricultural activities had never been given the efficiency of great business undertakings; nor had they served the people as they should through the instrumentalities of science taken directly to the farm, or afforded the facilities of credit best suited to their practical needs.

The Smith-Lever Agricultural Extension Act came as a result of this great demand. It was passed March 8,

1914, appropriating about half a million dollars for immediate use by the Department of Agriculture and the colleges of the several states. However, the Act contemplates a gradual increase until the annual appropriation amounts to several million dollars.

The mineral resources of Alaska were locked up in the Arctic Circle and were available only to corporations of great wealth. But in order that they might be employed by the nation as a whole, Congress authorized the President to begin the construction of a thousand miles of trunk-line railway to connect the ports on the Pacific with the coal fields of the interior, and thus make available for national use the almost unlimited coal of Alaska.

Other measures of conservation were begun, such as the protection of forests and waterpower and mineral deposits. Moreover, movements looking to the conservation of health and the encouragement of good roads and rural credits were begun. Then the European War appeared.

Just at this time the American people were passing out of an old era into a new national life made possible by this Constitution of Peace. What the future would be was predicted with an assurance that brought hope to the souls of men who had suffered because of injustices in the nation. But as the transfer was about to be made, the European war closed up the past and gave a new era not only to America, but to the entire civilized

world. Therefore, what the future will be even to America no man can prophesy with certainty.

The great issues, therefore, in the second half of the Wilson Administration instead of pertaining largely to matters of strictly domestic concern, such as conservation of public health and national resources, relate to the European war and we have neutrality, American rights on the high seas, preparedness, merchant marine, and commercial and educational preparedness as the paramount issues.

Before approaching these new issues, however, it is necessary to take a survey of President Wilson's foreign policy during this period when the Constitution of Peace was being wrought out.

CHAPTER VIII

A NEW FOREIGN POLICY

On March 4, 1913, when Woodrow Wilson took the oath of office as President of the United States, two grave responsibilities were laid upon his administration: (1) To set up the rule of right and justice in this nation; and (2) to maintain a just relation to all foreign nations.

In the previous chapters we have seen how heroically he undertook the first task and with what success he inaugurated a set of reforms that were to affect the whole country. The second task, however, was not so simple, and the reason is obvious. In the first place, the President of the United States, in dealing with foreign nations, must be guided by what foreigners and strangers to our ideals may do; and in the second place, international problems are not solved, as a rule, with that same regard for absolute right and justice as are domestic problems. Moreover, in dealing with intranational questions, the responsibility for the solution may be placed in a large measure upon Congress and the people. But in dealing with international questions, the responsibility for solution is placed almost entirely upon the President of the United States.

Perhaps the greatest difficulty to overcome in handling all international questions, is in securing a just rule of conduct that will be acceptable to the people who have little voice in establishing the rule and whose notions of how foreign affairs should be conducted are usually exceedingly selfish.

National ideals with reference solely to domestic policies may be one thing; but with reference to foreign affairs, quite another thing. It is often the case, if not the rule, that the two are as different as right and wrong. The functions of government operating intrastate may be guided by the eternal principles of right and justice as expressed in the Golden Rule; but operating internationally, may be controlled by a selfishness and a greed that would be considered both immoral and even criminal, if the acts were those of a private citizen. Admiral Decatur's familiar toast—"Our Country! In her intercourse with Foreign Nations, may she always be in the right; but our Country, right or wrong"—is a fine expression of patriotism and a guarantee of national solidarity. However, the sentiment is merely a refinement of that primitive tribal religion which nationalized the deity, made polytheism a necessity and limited the rule of right and justice to tribal or national boundaries; hence the sword as the final arbitrament of international disputes.

Nations have made more progress in placing the rule of right above the power of might in domestic or national

affairs than in international affairs. Therefore, the greatest problem of the statesman is to make international questions square by the same ethical standards that national questions are measured by. But as long as the difference between the two ideals is so great, civilization will be retarded by international jealousies and destructive wars.

When President Wilson was inaugurated he was at once confronted with certain very perplexing foreign problems: (1) A revolution in Mexico; (2) The relation of this government to Latin American Republics; and (3) The attitude of the European nations toward America because of the Panama tolls act which exempted American coast-wise vessels from the payment of tolls in passing through the Panama Canal.

The New Executive was an untried man, only a political philosopher, and not only the people of America but of the whole civilized world were asking themselves this question: How will the new President approach the solution of these problems?

The American people were demanding in one breath that the President hold the balances even when weighing matters of strictly domestic concern. But when considering international questions, the vocal part of the American public seemed to be ready to heap reproach upon the administration if the balances failed to dip low on the American side, and such is the traditional attitude of the human race to international disputes. No executive

had been able to establish a precedent the justice of which was convincing to all nations without drawing upon himself the censure and even ridicule of a large part of his own people. Therefore, nations have too often resorted to might rather than right in the settlement of international disputes. It is the easier mode, though not a remedy.

President Wilson, however, announced very emphatically at the beginning of his administration that it would be his policy to set up the rule of right and justice in all international questions. This was a departure. A new precedent was about to be established. Was this nation entering a new era in diplomacy? Men were wondering.

CHAPTER IX

THE PRESIDENT BROADENS THE MEANING OF THE MONROE DOCTRINE

The revolution in Mexico was the most perplexing international problem that confronted the new administration. However, it had to be solved not with reference solely to Mexico and to the United States, but with reference to all the other Latin American Republics. Therefore, it became necessary to establish first a new Pan American policy, or, in other words, to give the American people a broader meaning of the Monroe Doctrine.

A few days after his inauguration, President Wilson outlined the policies that should guide him in all of his relations with the Latin American states, including Mexico. Each state was assured that "one of the chief objects of my administration will be to cultivate the friendship of all the Latin American states," and he declared, "I earnestly desire the most cordial understanding and cooperation between the people and the leaders of America." He then made this brief statement not only for North Americans, but for Central and South Americans to read and ponder over:

"Cooperation is possible only when supported at every turn by the orderly processes of just government, based upon law and not upon arbitrary or irregular force. We hold, as I am sure all thoughtful leaders of republican government elsewhere hold, that just government rests always upon the consent of the governed, and that there can be no freedom without order, based upon law and upon public conscience and approval. We shall look to make these principles the basis of mutual intercourse, respect, and helpfulness between our sister republics and ourselves.

"We shall lend our influence of every kind to the realization of these principles in fact and practice, knowing that disorder, personal intrigue and the denial of constitutional rights weaken and discredit government and injure none so much as the people who are unfortunate enough to have their common life and their common affairs so tainted and disturbed.

"We can have no sympathy with those who seek to seize the power of government to advance their own personal interests or ambitions. We are the friends of peace, but we know that there can be no lasting or stable peace in such circumstances. As friends, therefore, we shall prefer those who act in

the interests of peace and honor, who protect private rights and respect the restraints of constitutional provisions. Mutual respect seems to us the indispensable foundation of friendship between states as between individuals.

"The United States has nothing to seek in Central and South America except the lasting interests of the peoples of the two continents, the security of governments, intended for the people, and for no special groups of interests; and the development of personal and trade relationships between the two continents, which shall redound to the advantage and profit of both and interfere in the liberties of neither.

"From these principles may be read so much of the future policy of this government as it is necessary now to forecast; and in the spirit of these principles, I may, I hope, be permitted with as much confidence as earnestness to extend to the governments of all the republics of America the hand of genuine disinterested friendship and to pledge my own honor and the honor of my colleagues to every enterprise of peace and amity that a fortunate future may disclose."

This declaration of a general principle was very favorably received in this country. In fact, few, if any, of

our public men have been so fortunate in their power to generalize and state convincingly a general truth, as President Wilson. Therefore, the press, in the main, applauded his utterance, but predicted that the Administration would find serious difficulty in making the practical application. There seemed to be a general impression that many, if not most, of the Latin American Republics would be incapable of understanding the President's meaning; and, it was feared that few of them would pay any attention to his words.

In working out his domestic policies, President Wilson could state the general principles and leave the working out of the details to Congress. But the details of his foreign policy had to be worked out by him and his cabinet and such advice as he could draw from members of Congress. The burden of the work was thrown on the President and not on Congress. And the nation had to wait and watch for results. In the meantime the revolution continued in Mexico; stories of inhuman atrocities found their way across the border; and fear of European complications seized the minds of many nervous Americans.

The press was doubtless in error as to the incapacity of the Latin Americans to understand President Wilson's langauge. However, their fears that few of them would pay any attention to his words, were by no means without foundation. But the explanation is found rather in the historical policy of this nation than in a total

incapacity of the Latin Americans to understand the President's declaration.

Suppose we notice the relation of the United States to Canada and to the Latin states. The line between Americans and Canadians is not a very marked one. The fact that both are of the same race and speak the same language has much to do with the friendliness that exists. But the commercial, industrial, and social ties are equally as strong. On the other hand, the line between the citizens of the United States and the citizens of the Latin American states is very marked. They not only differ in race and in language, but the commercial, industrial, and social ties are very weak.

In traveling from North America to South America, the route passes through European ports. If American bankers desired to transact business with Latin American bankers, the transaction is made in Europe; if North Americans trades with South Americans, it is carried on for the most part in European vessels and through European ports. In other words, Brazil and Argentina are almost as far from the United States commercially, as the Transvaal or Australia was, and the two continents of the Western Hemisphere, the homes of republican government, are almost total strangers. But each country is tied strongly to the aristocratic and monarchical countries of Europe.

It was the object of President Wilson's foreign policy to correct this anomalous condition, which was also

responsible for the newspaper comments referred to above. But the cause for such a condition is found in the historic policy of this country toward the Latin American states, a review of which will doubtless throw some light on the subsequent acts of President Wilson.

The United States was the first of the colonies of the two Americas to secure complete independence of its parent government of Europe. At once the other dependent colonies felt the thrill of a new political freedom, and the Latin-American patriots turned their eyes toward the young nation in North America for help and inspiration. During the first two decades of the 19th century the hope of a closer union of the two Americas was planted in the hearts of the people north and south of the equator. But the European nations held such extensive colonies in the two Americas that every European war was the signal for inter-colonial strife. Therefore, the fortunes of war in Europe bore directly on the welfare of the colonies in the two Americas and what affected the colonies affected the United States. The thirteen states that composed the young republic of North America were hemmed in by the English on the north and the Spanish on the south and west. Moreover, the leading nations of Europe had colonies in both North America and South America, and whichever way the weak republic looked it was confronted by European influences that were hostile to a republican form of government.

President Washington saw early and very clearly that the greatest difficulties in the way of the success of the new republic were the influences of European monarchies working through their colonies on this continent. Therefore, in his farewell address to Congress, September 17, 1796, he cautioned this country to "observe good faith and justice to all nations." But he added, "Against the insidious wiles of foreign influence, I conjure you to believe me, fellow citizens, the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. . . . The just rule of conduct for us in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible—so far as we have already formed engagements, let them be fulfilled with perfect good faith—here let us stop." And he added, " 'Tis our policy to steer clear of permanent alliances with any portion of the foreign world;—so far, I mean, as we are now at liberty to do it—for let me not be understood as capable of patronizing infidelity to existing engagements. . . . But in my opinion it is unnecessary and would be unwise to extend them."

President Washington established the policy also that this nation could not be indifferent to the traffic in colonies by European nations in which sections of this continent were to be transferred from one nation to another. Therefore, when Napoleon took Louisiana from

Spain, our purchase of that territory was facilitated by the controversy that arose as a result of that transfer.

At the same time it was reported that Florida was about to pass from Spain to England, and the foreign policy of the United States was clearly defined by Mr. King, our minister to Spain, in these words: "We are contented that the Floridas remain in the hands of Spain, but should not be willing to see them transferred, except to ourselves."

Later both France and England were reminded of this policy when it appeared that Cuba was about to pass to one or the other of these nations, and in 1811 President Madison was authorized secretly by Congress to occupy Florida "subject to further negotiations," to keep that territory from passing into the hands of England or France.

The European war at the beginning of the 19th century was occupying the energies of the European nations. Spain especially was about exhausted. The Spanish colonies in America took that opportunity to revolt and strike for independence (1810-1826). Even the United States was unable to avoid foreign complications. The aristocratic, monarchial governments of Europe had a contempt for a republican government, and none knew that better and felt it more keenly than did the presidents of the United States, and the war of 1812 was a necessity. Although the treaty of peace ended the war in Europe, the nations of Europe now

began to turn their attention to this hemisphere again.

On September 26, 1815, the Emperors of Austria and Russia and the King of Prussia concluded at Paris a treaty which resulted in the Holy Alliance. Later France joined, and in 1822 one of the purposes of this treaty was declared to be, "to put an end to the system of representative governments." One of its first acts was to interfere in the affairs of Spain, and it was proposed to assist that country in regaining control over her revolted provinces in this hemisphere. Again the policy outlined by Washington and employed by his successors was restated by John Quincy Adams, Secretary of State under President Monroe. However, the activity of the Holy Alliance was so aggressive that President Monroe felt the necessity, on December 2, 1823, of sending the following message to Congress:

"We owe it, therefore, to candor, and to the amicable relations existing between the United States and these foreign powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or con-

trolling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States. . . . The late events in Spain and Portugal show that Europe is still unsettled. Of this important fact no stronger fact can be adduced than that the allied powers should have thought it proper, on any principle satisfactory to themselves, to have interposed, by force, in the internal affairs of Spain. . . . Our policy toward Europe is . . . not to interfere in the internal concerns of any of its powers . . . but in regard to these (the two Americas) continents, circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political systems to any portion of either continent without endangering our peace and happiness. Nor can any one believe that our Southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition in any form with indifference."

Although this pronouncement was aimed primarily against the activities of the Holy Alliance, President Monroe used the occasion also to declare the policy of the nation as to the claims of Russia and England in the Northwest. He said: "The occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and inde-

pendent condition which they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European power."

This foreign policy, outlined by Washington and adopted by Adams, Jefferson, and Madison, and enlarged by each, was stated in this definite way by President Monroe and has gone into history as the Monroe Doctrine. Its purposes were fourfold: (1) To protect the Latin American states against the interference of European nations and this policy was avowedly based on our right of self defense; (2) to prevent further colonization in the Western Hemisphere by any European power; (3) to prohibit European powers from transferring colonies from one nation to another; and (4) to prevent the spread of monarchical ideas or principles in the Western Hemisphere.

This doctrine was accepted by the nations of Europe as a definite foreign policy of this government. The fact that the United States made such marvelous development and was soon classed as one of the world powers gave to the Monroe Doctrine a potential danger for all European nations. Moreover, the additional fact that, in the days of slow transportation and primitive naval defense, three thousand miles intervened between the two hemispheres gave to the new Republic in the West a supremacy that went unchallenged by the monarchies of Europe. However, after this supremacy was recognized by European nations, the attitude of the United

States toward the small states of Central and South America was not always that of a generous big brother toward younger and weaker brothers; and herein lies the secret of the hatred of the Latin-American states for the United States.

Although the European nations were estopped from destroying the independence of the Latin-American states, the Monroe Doctrine did not guarantee that these states would be free from conquest by the United States. Therefore, as the dangers from Europe diminished, the fears aroused by the imperialistic tendencies of the United States increased, and before many decades had passed, the Latin-American states partly on this account and partly on account of a social kinship, looked to Europe for help and sympathy while the strong arm of the United States reached out and took a part of their territory and was ever threatening to take more.

The United States preferred to remain neutral in the first movement for a Pan American Union in 1825. But American citizens settled on Mexican soil and aided in securing the independence of Texas and later added that territory to the United States. War with Mexico followed, and the southwestern states were taken from Mexico. Viewed from the standpoint of the Latin Americans, it was not a question as to whether such a conquest worked to the advantage of the people annexed to the United States. But the all important question was what other territory would be seized by the United States.

Cuba, Santo Domingo, Haiti, and even Canada were threatened as the object of American greed; and after that, what? Central and South America had nothing to fear from Europe, but everything to fear from America; and the fact that the United States did intervene in the interest of Mexico and of Venezuela proved to the world that the Monroe Doctrine was still a live American policy. But to the Latin-Americans it was another reminder that the one powerful nation they had to fear was the United States.

Moreover, the great financial interests of the United States and of Europe were permitted to dominate the domestic affairs of the Republics of Central and South America which had not developed as rapidly as the other nations of the world. Their governments were unstable, and their institutions were insecure. Therefore, the United States, having made such wonderful progress, naturally looked with condescension upon them; and the people of the United States considered them legitimate fields for exploitation. Moreover, the business interests of America might adopt methods in these states that would not be tolerated at home, yet have the assurance that the American government would support them.

Since the governments of these states were by nature unstable, the people were easily excited to the point of revolution, which was encouraged very often because outsiders hoped to gain by the change of rulers or the defeat of the dominant political party. If revolution

was attempted and succeeded, and its leader was able to proclaim himself President, his position would be made secure by the recognition of the United States because it was supposed to be more immediately concerned in the preservation of order and the insurance of stability, and to have better means of ascertaining the facts. Having been accepted by the United States, "the usurper, the patriot, or the adventurer, and sometimes he was one or both or a mixture of all three, was by right accorded his seat in the council of nations and had nothing more to fear until the next revolution."

In this way the American government became an unconscious offender against justice and liberty. Itself the home of constitutional government, it has seemed to hinder the development of constitutional government among its nearby neighbors. Certainly, it has given it little positive aid. The big brother was looked upon as a bully and the little brothers grew from decade to decade fearing and distrusting the motives of the big brother, and making more and more concessions to the European nations until the business of Central and South America was transferred for the most part to European centers. Meanwhile, the Latin-American states had made repeated efforts to form a union of the republics of this hemisphere.

During the Administration of President Cleveland, however, sixty-five years after the Monroe Doctrine was proclaimed to the world, this nation took a determined

step to cultivate the friendship of the Latin-American states. In 1888, Mr. Cleveland's Secretary of State, Mr. Bayard, in accordance with an act of Congress, invited the several Latin-American republics to join the United States in a conference to be held at Washington in 1889 to consider (1) measures to preserve peace and promote the prosperity of the Latin-American states, (2) forming American customs union; (3) frequent communications between the two continents; (4) uniform system of customs regulations; (5) uniform system of weights and measures and the protection of copyrights, trade-marks, etc.; (6) a common silver coin; (7) arbitration, and (8) the general welfare of the two continents.

As a result of this invitation the first great Pan-American conference met in Washington, October 2, 1889. In the meantime Benjamin Harrison had succeeded Mr. Cleveland as President, and James G. Blaine was Secretary of State and presided over the Congress. The following countries were represented: Bolivia, Brazil, Columbia, Costa Rica, Guatamala, Honduras, Mexico, Nicaragua, Peru, Salvador, The United States, Uruguay, Argentine Republic, Chili, Ecuador, Hayti, and Paraguay. The chief result of this Conference was the establishment in Washington of an International Bureau of American Republics for the collection and publication of information relating to commerce, products, laws and customs of the countries represented.

The next step in bringing about a better understanding between the two Americas was the act of the United States in interfering in the affairs of Cuba. It is true that America acquired Porto Rico and the Philippines, but the fact that this great nation secured the independence of Cuba and then guaranteed its independence, set a new standard in international conduct. A few years later (1901) President McKinley suggested that Mexico call the second Pan-American Congress to meet at the City of Mexico. Accordingly, it was called to meet October 22, 1901, and continued in session until January 31, 1902. The chief subject discussed at this conference was arbitration. The third Conference met at Rio de Janeiro in 1906, and the fourth at Buenos Aires in 1910.

As a result of these conferences much of the current suspicion and distrust and even hatred was being dissipated, a better feeling was beginning to prevail, and when the Mexican Revolution broke out, the United States was in a fair way to convince the Latin-American states that the Monroe Doctrine was promulgated not only for the protection and benefit of the United States, but for this whole American hemisphere, and that when it ceases to serve all, it is not likely to be of any use to the United States.

Such in outline is the historic policy of this nation toward the Latin-American republics. The way had already been prepared for a Pan-American Union. How-

ever, there were fears and suspicions abiding still among the Latin-American republics. It was natural, therefore, for this suspicion to grow as the Revolution in Mexico called forth editorials in America demanding intervention in Mexico and annexation of a part or all of that country to the United States. History could easily supply the nations of this hemisphere with a very striking parallel.

Mr. Wilson, therefore, issued this first pronouncement for all the Latin-American states. However, within a few weeks he sent a representative into Mexico to assure the rulers of that distressed country of his great desire to be of assistance to the Mexican people. He did not have long to wait for an answer, and then he learned that his words were not accepted in good faith. The ancient suspicion and hatred flamed out anew, and the American government was powerless to aid the cause of humanity; such were the fruits of an ancient foreign policy that permitted the scales of justice to dip low on the American side. It was then that the President adopted his "watchful waiting policy," but the press was clamoring for intervention and annexation. This newspaper attitude was so contrary to the President's pronouncement that it was difficult for the Latin-American states to understand the President's deep moral and humane purpose. Certainly, if it was impossible for Mr. Wilson's own friends to understand his policies, how could a people fundamentally unlike the people of

the United States understand? The press urged the Latin-American states to accept in good faith Mr. Wilson's wise counsel, but at the same time it was clamoring for intervention in Mexico and annexation of territory. Therefore, another pronouncement became necessary.

It was at the Southern Commercial Congress in Mobile, Alabama, October 27, 1913, that Mr. Wilson very clearly and emphatically announced his Pan-American Policy. In his first pronouncement soon after his inauguration, he intimated that at a later date he would define his policy more in detail. The Mexican situation was approaching a crisis and America was powerless to aid in the settlement; and, the South American states, taking their cue somewhat from the annexationists of America, still believed that the imperialistic policy of the United States was a great menace to their peace and prosperity. At this conference representatives were present, however, from all the leading Latin-American states.

In order to appreciate the significance of the Mobile address, therefore, it is necessary to bear in mind that Mr. Wilson's personal representative in Mexico had only recently notified Mr. Wilson of the futility of his attempts to accomplish anything in Mexico because of their deep seated hatred for the Americans. Moreover, the delegates from the Latin-American states were still mindful of the Revolution in Panama, and were able to read the editorials of the annexationists. Therefore, it

was exceedingly difficult even for an American to know what the policy of this government was, to say nothing of the Latin-American.

The President's Mobile speech is perhaps his most important utterance bearing on our relations with the other states of this hemisphere. He stood in one of the extreme southern cities. His face was turned toward the Gulf beyond which lay Republics that had been laboring for generations to bring forth constitutional government but had only partly succeeded. To their representatives as well as to ours he declared that the future "is going to be very different for this hemisphere from the past." Because the states lying to the South of us "will be drawn closer to us by innumerable ties, and, I hope, chief of all by the tie of a common understanding."

"We must prove ourselves their friends and champions," he said "upon terms of equality and honor. You cannot be friends upon any other terms than upon the terms of equality. You cannot be friends at all except upon the terms of honor. We must show ourselves friends by comprehending their interest, whether it squares with our own interest or not. It is a very perilous thing to determine the foreign policy of a nation in the terms of material interest. It not only is

unfair to those with whom you are dealing, but it is degrading as regards your own actions.

"Comprehension must be the soil in which shall grow all the fruits of friendship, and there is a reason and a compulsion lying behind all this, which are dearer than anything else to the thoughtful men of America. I mean the development of constitutional liberty in the world. Human rights, national integrity and opportunity, as against material interests—that is the issue which we now have to face."

At this point he turned to the representatives of the Latin-American states and released a policy that caught the entire nation by surprise.

"I want to take this occasion to say that the United States will never again seek one additional foot of territory by conquest. She will devote herself to showing that she knows how to make honorable and fruitful use of the territory she has. And she must regard it as one of the duties of friendship to see that from no quarter are material interests made superior to human liberty and national opportunity. I say this, not with a single thought that anyone will gainsay it, but

merely to fix in our consciousness what our real relationship with the rest of America is. It is the relationship of a family of mankind devoted to the development of true constitutional liberty. We know that that is the soil out of which the best enterprise springs. We know that this is a cause which we are making in common with our neighbor, because we have had to make it for ourselves."

He then spoke of our national problems that had been a leading topic of discussion at the Commercial Congress. The tariff laws had just been enacted and the currency bills were being stubbornly opposed in the Senate.

"This is not America because it is rich," he said. "This is not America because it has set up for a great population great opportunities of material prosperity. America is a name which sounds in the ears of men everywhere as a synonym with individual opportunity, because a synonym of individual liberty. I would rather belong to a poor nation that was free than to a rich nation that had ceased to be in love with liberty. But we shall not be poor if we love liberty, because the nation that loves liberty truly sets every man free to do his best and be his best; and that

means the release of all the splendid energies of a great people who think for themselves. A nation of employees cannot be free any more than a nation of employers can be."

After emphasizing again the points which must unite the two Americas, he closed with these words:

"It seems to me that this is a day of infinite hope, of confidence in a future greater than the past has been, for I am fain to believe that, in spite of all the things that we wish to correct, the nineteenth century that now lies behind us has brought us a long stage towards the time when, slowly ascending the tedious climb that leads to the final uplands, we shall get the ultimate view of the beauties of mankind. We have breasted a considerable part of that climb, and shall presently—it may be in a generation or two—come out upon those great heights where there shines, unobstructed, the light of the justice of God."

This address produced a variety of responses in this country. Some received it with enthusiasm and declared that it was an exalted utterance from a great leader. But others reacted as though they had received a sudden

shock and replied that "many will resent this assumption of authority to bind the American people to this policy." Between these two extremes was a third class who repeated the statement that President Wilson's "idealism will not conform to that of the Mexicans."

His foreign policy with reference to the Latin-American States was at last very definitely stated—"we must show ourselves friends by comprehending their interests, whether it squares with our interests or not." Therefore, the balances were to be held even. It must not dip low on the American side. And again—"I want to take this occasion to say that the United States will never again seek one additional foot of territory by conquest." This emphatic statement did come as a shock to the annexationists who were clamoring for intervention and by their acts were making it difficult for the Latin-American States to understand the deep meaning of the President's foreign policy.

It was a source of much annoyance to the business interests of the United States that South America was closer to Europe, commercially, industrially, and socially, than to North America. And though President Wilson was repeatedly calling the attention of the country to the necessity of shaping our foreign policy so that we would be considered the friends of the Latin-American States, the business of America seemed to insist that the United States should intervene in Mexico in order to protect American business in that war distracted country,

regardless of the effect on the remainder of the Western Hemisphere. The President, however, was insisting that a new standard should be set, that the Monroe Doctrine should have a new meaning, and that the Western Hemisphere, the home of constitutional government, should have a more perfect union of interests. Therefore, in his message to Congress, December 2, 1913, he declared:

"There is only one possible standard by which to determine controversies between the United States and other nations, and that is compounded of these two elements: Our own honor and our obligations to the peace of the world. A test so compounded ought easily to be made to govern the establishment of new treaty obligations and the interpretation of those already assumed. . . .

"We are the friends of constitutional government in America; we are more than its friends, we are its champions, because in no other way can our neighbors, to whom we would wish in every way to make proof of our friendship, work out their own development in peace and liberty."

The Monroe Doctrine was at last taking on a new meaning or giving way to a new doctrine that was to supersede the historic policy that served this nation

primarily and the Latin-American states incidentally in the earlier days of our national life.

The old Monroe Doctrine was born in the fear of European interference. But this new doctrine had its birth, not in fear, but in a common friendship, a common sympathy and understanding among the Republics of the Western Hemisphere.

This new foreign policy facilitated the forming of treaties with fifteen Latin-American States, which were negotiated by Secretary Bryan during the session of the Long Congress, and these new treaties showed the temper of the Latin American States in the fact that they seemed very willing to accept any offer from this nation that looked toward maintaining friendly relations, or securing the peace and prosperity of the Republics of this hemisphere.

It required more than a year for the President to convince even some of his friends that this nation would not make a war of conquest on any Latin-American state. Moreover, he held steadfastly to the policy that we should treat with the other republics on terms of equality and not as a superior to an inferior; and that his administration would prove to the world that it was the friend of constitutional government.

His watchful waiting policy was one evidence of his friendship. His failure to recognize Huerta was another. But there was still another test to be made. Large business interests had so fastened their hold on the

machinery of government in America and had so directed its processes that not only the domestic policies were controlled by them, but also the foreign policies with reference to the Latin-American States. It was merely the continuation of an historic policy to suffer Americans to exploit the Latin American States for their own selfish interests. As a result our diplomatic relations with those states received the contemptuous name of "dollar diplomacy," since the diplomatic relations seemed to exist chiefly for the protection of American business in Central and South America.

President Wilson declared at the beginning of his administration that "we shall prefer those who act in the interest of peace and honor." And again seven months later at Mobile he asserted that the Latin-American States "have had harder bargains driven with them in the matter of loans than any other peoples in the world." And he declared emphatically that this nation regards it "as one of the duties of friendship to see that from no quarter are material interests made superior to human liberty and national opportunity."

But even this Mobile speech was not convincing to the business of America that had extended its interests into these Republics. Therefore, on July 4, 1914, the President declared in Independence Hall that one of the most serious questions for sober-minded men to address themselves to in the United States is this:

"What are we going to do with the influence and power of this great nation? Are we going to play the old rôle of using that power for our aggrandizement and material benefit only?" And then in a few words he told the American people that a limit to "dollar diplomacy" had been reached.

"The Department of State at Washington," he said, "is constantly called upon to back up the commercial enterprises and industrial enterprises of the United States in foreign countries, and it at one time went so far in that direction that all its diplomacy came to be designated as 'dollar diplomacy.' It was called upon to support every man who wanted to earn anything anywhere if he was an American. But there ought to be a limit to that.

"There is no man more interested than I am in carrying the enterprise of American business men to every quarter of the globe. I was interested in it long before I was suspected of being a politician. I have been preaching it year after year as the great thing that lay in the future for the United States, to show her wit and skill and enterprise and influence in every country in the world. But observe the limit to all that which

is laid upon us perhaps more than upon any other nation in the world. We set this nation up, at any rate we professed to set it up, to vindicate the rights of men. We did not name any differences between one race and another. We did not set up any barriers against any particular people. We opened our gates to all the world and said: 'Let all men who wish to be free come to us and they will be welcome.' We said: 'This independence of ours is not a selfish thing for our own exclusive private use. It is for everybody for whom we can find the means of extending it.'

"We cannot with that oath taken in our youth, we cannot with that great ideal set before us when we were a young people and numbered only a scant 3,000,000, take upon ourselves, now that we are 100,000,000 strong, any other conception of duty than we then entertained.

"If American enterprise in foreign countries, particularly in those foreign countries which are not strong enough to resist us, takes the shape of imposing upon and exploiting the mass of the people of that country, it ought to be checked and not encouraged. I am willing to get anything for an American that money and enterprise can obtain except the suppression of the rights of

other men. I will not help any man buy a power which he ought not to exercise over his fellow-beings."

Thus, after sixteen months, President Wilson's foreign policy as pertaining to Central and South America was clearly before the people, and briefly stated it is as follows:

1. To treat the Latin-American States as friends and as equals.
2. To respect and encourage constitutional government in the Americas.
3. To acquire no new territory by conquest.
4. To give no aid to American business operating in foreign countries in a way that would be illegal at home.
5. To give no aid or encouragement to revolutionists who seek to seize the reins of government for their own advantage.

President Wilson adhered to this policy until the European war broke on the world, and then events shaped themselves so rapidly that a New Pan-Americanism with its roots in these policies grew rapidly. An understanding of those policies is necessary to a sympathetic attitude toward the President's Mexican policy which is an outgrowth of this larger Pan-American policy.

CHAPTER X

THE NEW AMERICAN POLICY APPLIED TO MEXICO

The revolution in Mexico gave the most unfavorable opportunity for the application of an idealistic policy, since belligerents do not exalt the Golden Rule above the sword. However, there is a certain kinship and bond of sympathy among all the Latin-American states, and the new Pan-American policy was to include Mexico as well as the others. Therefore, its application under such unusual circumstance makes an interesting chapter in American history.

Mexico, a mediaeval nation ruled by an absolute monarch, called President, after the custom of the Western Hemisphere, existed side by side with the United States, a modern nation that had prospered under constitutional government. Such were the conditions in 1910 when President Diaz felt his power crumbling away over smouldering fires due to uncivilized outrages committed against liberty in the name of liberty.

The people of Mexico had suffered most from two great evils. First, a few landholders owned in vast estates, the greater part of the land of Mexico, and held a large part of the population in a state little better than

that of slavery. A kind of feudalism existed in which state the non-landowning class was little superior to the serfs and villains of the Middle Ages. Second, the national resources of the country were exploited by foreigners, who had bought privileges and monopolies of one kind and another from the President and who expected their native country to protect them in the enjoyment of their purchased rights.

In 1910 Francisco Madero, leader of a great reform movement to restore representative government and free the masses from a state of slavery, became a candidate for the Presidency against Porfirio Diaz. To become a vigorous candidate against the Absolute was considered in itself an act of treason, and Madero was thrown into jail. However, the secret longings of the people for a change (they did not know what liberty was), for relief from conditions that would have been intolerable in a free country, gave the reform movement an enthusiasm which very naturally broke into an insurrection and later into a revolution. Madero in the meantime was liberated. By May, 1911, the storm had become so threatening that President Diaz abdicated and fled to Europe. Madero was the man of the hour, and in October following he was elected President with little opposition.

But the calamities and the unremedied wrongs of one long rule could not be remedied by the abdication of one man. A revolution had begun that was to shiver the

nation from the Presidency to the lot of the stolid peon in remote and forgotten districts. Moreover, Madero was not a wise president, and, the military chiefs, resembling the feudal barons of the Middle Ages, began a reign of terror that was to break up the nation into groups of bandits, each of which was struggling for supreme power, while the masses were robbed and starved, outraged and even massacred, in the name of liberty.

Madero's administration was short. In October, 1912, Feliz Diaz, nephew of the ex-President, organized a revolution, was captured and thrown into prison. Later he escaped and appeared at the capital with a large army. In February, 1913, General Victoriano Huerta, Commander in Chief of the Madero forces, deserted his leader, led his army into the capital, forced Madero to resign, threw him into prison, and a few days later permitted him, with a few of his loyal supporters, to be assassinated. Then Huerta was proclaimed President by his army, and the first hope of a constitutional government for Mexico was destroyed. Such were the conditions prevailing in Mexico on March 4, 1913, when Woodrow Wilson became President of the United States.

The revolution had been in progress more than two years when President Wilson was inaugurated. Like his predecessor in office, however, he was determined to keep hands off if possible and let the contending forces fight it out alone. Therefore, his first act was one looking to neutrality. Two days after his first pronouncement he

asked Congress for the authority to prohibit the sale of war munitions to all factions. In taking this step, he declared: "I shall follow the best practice of the nations in the matter of neutrality. . . . We cannot in the circumstances be the partisan of either party to the contest that now distracts Mexico, or constitute ourselves the virtual umpire."

However, he had already declared that "we can have no sympathy with those who seek to seize the power of government to advance their own personal interests and ambitions." Therefore, he refused to recognize Huerta, the dictator, or any other faction until he could secure better information as to the conditions surrounding the *de facto* government.

Moreover, he was equally determined to convince the Latin-American Republics that this nation is the friend of constitutional government; that it will treat with all republics of this hemisphere on a plane of equality; that it will never again seek additional territory by conquest; that it will not lend the offices of this government to promote illegal business interests in foreign countries, and that it will not aid or encourage revolutionists or revolutions in any of the Latin-American states. He was now to be put to the test. His policies were being gradually unfolded and he was steadfast in his conviction that "the steady pressure of moral force will before many days break down the barriers of pride and prejudice, and we shall triumph as Mexico's friend sooner than

we could triumph as her enemy—and how much more handsomely, with how much higher and finer satisfaction of conscience and of honor!"

It appeared, however, that the revolution might involve the United States in complications due to lawless acts on the part of all the contending parties. Moreover, European nations held tremendous business interests in Mexico, and, through outrages against foreigners, the Monroe Doctrine might become involved. Therefore, President Wilson sent Mr. John Lind, ex-Governor of Minnesota, his "personal spokesman and representative to the City of Mexico." It should be stated here that the acts of the American Ambassador to Mexico were not entirely satisfactory to Mr. Wilson. Therefore, Mr. Lind was sent to Mexico, with instructions to press very earnestly upon the attention of those who were exercising authority or wielding influence in Mexico the following considerations and advice:

"The Government of the United States does not feel at liberty any longer to stand inactively by while it becomes daily more and more evident that no real progress is being made towards the establishment of a Government at the City of Mexico which the country will obey and respect.

"The Government of the United States does not stand in the same case with the other great govern-

ments of the world in respect of what is happening or what is likely to happen in Mexico. We offer our good offices, not only because of our genuine desire to play the part of a friend, but also because we are expected by the powers of the world to act as Mexico's nearest friend.

"We wish to act in these circumstances in the spirit of the most earnest and disinterested friendship. It is our purpose in whatever we do or propose in this perplexing and distressing situation not only to pay the most scrupulous regard to the sovereignty and independence of Mexico—that we take as a matter of course to which we are bound by every obligation of right and honor—but also to give every possible evidence that we act in the interest of Mexico alone, and not in the interest of any person or body of persons who may have personal or property claims in Mexico which they may feel that they have the right to press.

"We are seeking to counsel Mexico for her own good and in the interest of her own peace, and not for any other purpose whatsoever. The Government of the United States would deem itself discredited if it had any selfish or ulterior purpose in transactions where the peace, happiness, and

prosperity of a whole people are involved. It is acting as its friendship for Mexico, not as any selfish interest, dictates.

"The present situation in Mexico is incompatible with the fulfillment of international obligations on the part of Mexico, with the civilized development of Mexico herself, and with the maintenance of tolerable political and economic conditions in Central Mexico. It is upon no common occasion, therefore, that the United States offers her counsel and assistance. All America cries out for a settlement."

He then advised Mr. Lind to say to the factions in Mexico that a satisfactory settlement "seems to us to be conditioned" on the following:

1. Immediate cessation of fighting throughout Mexico, a definite armistice solemnly entered into and scrupulously observed;
2. Security given for an early and free election in which all will agree to take part;
3. The consent of General Huerta to bind himself not to be a candidate for election as President of the Republic at this election; and
4. The agreement of all parties to abide by the results of the election and cooperate in the most

loyal way in organizing and supporting the new Administration.

Mr. Lind was also instructed to assure the leaders that the Administration "will be glad to play any part in this settlement or in its carrying out which it can play honorably and consistently with international rights." But he added, if Mexico can show any better way in which this government can "serve the people of Mexico and meet our international obligations, we are more than willing to consider the suggestions."

Mr. Wilson's personal representative set out for Mexico with these very definite instructions both for Huerta and for the opposing leaders. However, instead of receiving a friendly response from those in authority, the ancient fears and suspicions and hatred of the Mexicans broke out anew. They seemed to feel instinctively that if the United States entered Mexico, the history of seventy years ago might be repeated. Therefore, neither faction would accept the President's proffered kindness. Huerta, the Dictator, of course, rejected the proposals. He had been led to believe that the American government would recognize him as President of Mexico. But when these instructions reached him, he knew there was no aid to be desired from this nation, and no sympathy from President Wilson. His hatred for the American government became apparent; and from this time he exhibited a bitter hostility toward all Americans.

The opposing leaders also rejected the proposals, although the proposals were in harmony with what the leaders were fighting for. The leaders were evidently afraid of the Greeks bearing gifts, and they intimated to Mr. Lind that the greatest kindness America could extend to Mexico would be to let their country absolutely alone.

Mr. Lind remained in Mexico several weeks, hoping to convince the leaders of the revolution that this nation was the friend of the Mexicans and desired only to aid that country in bringing about peace. But his visit was in vain. Neither Huerta nor any of the "authorities at the City of Mexico" would accept the proffered kindness of this government. Therefore, on August 27, 1913, President Wilson appeared before Congress and gave to that body "the facts concerning our present relations with the Republic of Mexico."

He told the Senators and Members of his great desire to aid in restoring peace and order to Mexico and in seeing self-government really established in that war-distracted country. But he added:

"The present circumstances of the republic, I deeply regret to say, do not seem to promise even the foundations of such a peace. We have waited many months, months full of peril and anxiety, for the conditions there to improve, and they have not improved. They have grown worse, rather.

The territory controlled in some sort by the provisional authorities at Mexico City has grown smaller, not larger. The prospect of the pacification of the country, even by arms, has seemed to grow more and more remote; and its pacification by the authorities at the Capital is evidently impossible by any other means than force. Difficulties more and more entangle those who claim to constitute the legitimate government of the republic. They have not made their claim in fact. Their successes in the field have proved only temporary. War and disorder, devastation and confusion, seem to threaten to become the settled fortune of the distracted country."

Mr. Lind's delicate mission and the proposals sent to the leaders in Mexico were then described. But the Senators and Members were waiting for the climax, which came when the President told them that all of his proposals were rejected because the Mexicans did not believe in the fairness and disinterestedness of the American people. Therefore, they did not believe "that the present Administration spoke, through Mr. Lind, for the people of the United States."

There was some justification, too, for this attitude of the Mexicans. They did not have to remember the Mexican War of the forties for proof. All they had to do

was to read those American newspapers that were clamoring for war and declaring that if the American flag was ever raised in Mexico, it would never come down. While Mr. Lind was in Mexico, there was an accumulation of evidence to convince a foreigner who was not fully acquainted with the habits of the American people, that Mr. Wilson did not speak the sentiments of the people of the United States.

"The effect of this unfortunate misunderstanding on their part," the President continued, "is to leave them singularly isolated and without friends who can effectually aid them. So long as the misunderstanding continues we can only wait the time of their awakening to a realization of the actual facts. We cannot thrust our good offices upon them. The situation must be given a little more time to work itself out in the new circumstances, and I believe that only a little time will be necessary; for the circumstances are new. The rejection of our friendship makes them new and will inevitably bring its own alteration in the aspect of affairs. The actual situation of the authorities in Mexico City will presently be revealed.

"But what is it our duty to do? It is now our duty," he said, "to show what true neutrality will

do to enable the people of Mexico to set their affairs in order again, and wait for a further opportunity to offer our friendly counsel."

However, American citizens in Mexico and non-combatants in general would suffer from the increased activity of the contending factions. The President argued, however, that the position of outsiders is always particularly trying and full of hazard when there is civil strife and the whole country is upset. Therefore, he advised that Americans should leave Mexico.

"We should earnestly urge all Americans to leave Mexico at once, and should assist them to get away in every way possible—not because we would mean to slacken in the least our efforts to safeguard their lives and their interests, but because it is imperative that they should take no unnecessary risks when it is physically possible for them to leave the country. We should let every one who assumes to exercise authority in any part of Mexico know in the most unequivocal way that we shall vigilantly watch the fortunes of those Americans who cannot get away, and shall hold those responsible for their sufferings and losses to a definite reckoning. That can be and will be

made plain beyond the possibility of a misunderstanding.

"For the rest, I deem it my duty to exercise the authority conferred upon me by the law of March 4, 1912, to see to it that neither side to the struggle now going on in Mexico receive any assistance from this side of the border. I shall follow the best practice of nations in the matter of neutrality by forbidding the exportation of arms or munitions of war of any kind from the United States to any part of the Republic of Mexico—a policy suggested by several interesting precedents and certainly dictated by many manifest considerations of practical expediency. We cannot in the circumstances be the partisans of either party to the contest that now distracts Mexico, or constitute ourselves the virtual umpire between them.

"I am happy to say that several of the great Governments of the world have given this Government their generous moral support in urging upon the provisional authorities at the City of Mexico the acceptance of our proffered good offices in the spirit in which they were made. We have not acted in this matter under the ordinary principles of international obligation. All the world expects us in such circumstances to act as Mexico's nearest

friend and intimate adviser. This is our immemorial relation toward her."

In the main, this address to Congress was favorably received by the American people. However, a considerable number had a feeling of disgust after reading it. Many editorials were written declaring that this great and powerful nation should step in and take possession of Mexico and hold it, until the Mexicans, like the Cubans, could become a self-governing people. Moreover, there were many extremists who openly declared that we should annex Mexico to this nation. And the controversy waged in this country. Other writers asked what right have we to annex Mexico? Why should American lives be destroyed in order to protect European and American interests in Mexico? So many opinions were expressed pro and con that honest Americans might have come reasonably to the Mexican conclusion that an American army in Mexico would mean a repetition of the acts of the forties.

Mr. Wilson knew of the real condition of the people in Mexico. He understood their fears and their purposes, and he settled down to a "watchful waiting policy" that was exasperating to the annexationists.

Neutrality was the order of the day. An embargo was placed on arms, and the Mexican factions were let alone and left to destroy one another until their madness

should pass. These acts had their effect on General Huerta, whose power seemed to be gradually waning.

Two months later, on December 2, 1913, President Wilson appeared at the Capitol to "give Congress information of the state of the Union." He explained that his policy was gradually eliminating Huerta from the Revolution. The Dictator's power was declining, and constitutional government, he argued, was sure to win, and this was being accomplished without bloodshed or loss of honor to Americans. Then he added:

"There can be no certain prospects of peace in America until General Huerta has surrendered his usurped authority in Mexico; until it is understood on all hands, indeed, that such pretended governments will not be countenanced or dealt with by the Government of the United States."

Then, for the first time, he spoke fully of his opinion of conditions in Mexico. He had waited until he could secure complete information.

"Mexico has no Government," he spoke with feeling. "The attempt to maintain one at the City of Mexico has broken down, and a mere military despotism has been set up which has hardly more than the semblance of national authority. It originated in the usurpation of Victoriano Huerta,

who, after a brief attempt to play the part of constitutional President, has at last cast aside even the pretense of legal right and declared himself Dictator. As a consequence, a condition of affairs now exists in Mexico which has made it doubtful whether even the most elementary and fundamental rights either of her own people or of the citizens of other countries resident within her territory can long be successfully safeguarded, and which threatens, if long continued, to imperil the interests of peace, order, and tolerable life in the lands immediately to the south of us.

"Even if the usurper had succeeded in his purposes, in despite of the constitution of the Republic and the rights of its people, he would have set up nothing but a precarious and hateful power which could have lasted but a little while, and whose eventual downfall would have left the country in a more deplorable condition than ever. But he has not succeeded. He has forfeited the respect and the moral support even of those who were at one time willing to see him succeed. Little by little he has been completely isolated. By a little every day his power and prestige are crumbling and the collapse is not far away. We shall not, I believe, be obliged to alter our policy of watchful

waiting. And then, when the end comes, we shall hope to see constitutional order restored in distressed Mexico by the concert and energy of such of her leaders as prefer the liberty of their people to their own ambitions."

While President Wilson was holding to his watchful waiting policy, the revolutionists in Mexico were destroying private property of American and European owners. The loss of the oil industry of the British was especially great, and the Monroe Doctrine again came in for much discussion, both in this country and in Europe. But Lord Haldane, an Englishman, in a notable address showed that the British statesmen had caught the spirit of the Wilson Administration and the deeper meaning of the Monroe Doctrine when he declared, "all who live and trade on the great American continent may feel that she (the United States) has set before her a high ideal to secure for them equally with her own subjects that justice and righteousness of which President Wilson has spoken." And ex-President Taft about the same time referred to the Monroe Doctrine as one of our "greatest national assets" and urged the American people to uphold President Wilson in his attitude toward Mexico. Then public sentiment began to show signs of clearing up.

The fact that the United States refused to recognize Huerta as the constitutional President of Mexico insured

his defeat in the end, since the financial centers of the world were exceedingly shy about making any entangling alliances with him. Huerta was by nature a dictator, and as is usually the case with such rulers, a man of considerable force. One less brave would have been swept away by the storm. But Huerta held on with a tenacity that was exasperating to the United States and disconcerting to his enemies in his own country.

The revolution began in the attempt to destroy absolutism and restore constitutional government. Therefore, as long as Huerta was president, there seemed to be no hope for the nation. Realizing this fact, and seeing how tenaciously the old Dictator held on, President Wilson changed his attitude somewhat, and on February 2, 1914, he raised the embargo on arms so far as the Constitutionalists were concerned, but prohibited the exportation to the Huerta government. By throwing the good will of the nation on the side of the Constitutionalists, it was believed that Huerta would be driven from the presidency which he had usurped.

This act, however, was the signal for the old Dictator to exhibit a hatred for Americans that was destined to involve this nation in the embroilment, in spite of the President's firm resolve to take no active part in the revolution. One indignity after another made an accumulation of outrages that called for a prompt response from this nation. Therefore, President Wilson appeared before Congress on April 20, 1914, and told the story of

Huerta's indignities and asked for permission to send an armed force into Mexico. The story in substance is as follows:

On April 9 a paymaster of the United States ship *Dolphin,* while engaged in official duties, was arrested in Tampico by a squad of men of the army of General Huerta. A few days later an orderly from the United States ship *Minnesota* was arrested at Vera Cruz while active in uniform to obtain the ship's mail, and was thrown into jail. Moreover, an official dispatch from this government to Mexico City was withheld by telegraphic authorities until preemptorily demanded by the American government.

The paymaster of the *Dolphin* was released by Huerta and apologies and expressions of regret followed from both the commander at Tampico and from General Huerta. However, Admiral Mayo, in command of the American fleet, thought that the incident called for more than mere apologies and expressions of regret. Therefore, he demanded that "the flag of the United States be saluted with special ceremony by the military commander of the port." Here the old Dictator balked.

The affair remained in this state between Huerta and Admiral Mayo for several days. In the meantime, the other indignities mentioned above were reported to the Administration. On the 18th, President Wilson made peremptory demand that the salute should be forthcoming on the following day. Still the old Dictator

refused to comply with the demands except upon certain conditions. And on April 20, eleven days after the Tampico incident, Mr. Wilson appeared before Congress and laid the story of these indignities before the Senators and Members.

"So far as I can learn," he said, "such wrongs and annoyances have been suffered to occur only against representatives of the United States. I have heard of no complaints from other Governments of similar treatment. Subsequent explanations and formal apologies did not and could not alter the popular impression, which it is possible it had been the object of the Huertista authorities to create, that the Government of the United States was being singled out, and might be singled out with impunity, for slights and affronts in retaliation for its refusal to recognize the pretensions of General Huerta to be regarded as the constitutional provisional President of the Republic of Mexico."

He then advised Congress that this nation should compel Huerta to comply with the demands of Admiral Mayo.

"It was necessary," he said, "that the apologies of General Huerta and his representatives should

go much further, that they should be such as to attract the attention of the whole population to their significance, and such as to impress upon General Huerta himself the necessity of seeing to it that no further occasion for explanations and professed regrets should arise. I, therefore, felt it my duty to sustain Admiral Mayo in the whole of his demand and to insist that the flag of the United States should be saluted in such a way as to indicate a new spirit and attitude on the part of the Huertistas."

Congress, as well as the American people, were assured that this government would avoid war if possible. But if armed conflict came, "We should be fighting," he said, "only General Huerta and those who adhere to him and give him their support."

"No doubt I could do what is necessary in the circumstances to enforce respect for our Government without recourse to the Congress, and yet not exceed my constitutional powers as President, but I do not wish to act in a matter possibly of so grave consequence except in close conference and cooperation with both the Senate and the House. I, therefore, come to ask your approval that I should use the armed forces of the United States

in such ways and to such an extent as may be necessary to obtain from General Huerta and his adherents the fullest recognition of the rights and dignity of the United States, even amidst the distressing conditions now unhappily obtaining in Mexico."

Again the President assured the world that "there can in what we do be no thought of aggression or of selfish aggrandizement" and "our object would be only to restore to the people of the distracted Republic the opportunity to set up again their own laws and their own government."

Meanwhile leaders of both parties in Congress had been consulted and a resolution was offered declaring "that the President of the United States is justified in the employment of the armed forces of the United States to enforce demands" made upon Huerta for a failure to make amends for affronts and indignities "committed against this government."

There was a tendency on the part of a few Senators to criticize the President for asking for the use of force merely because of the indignities to the flag. It was in reply to these criticisms that Senator Root of New York came to the assistance of the President in a strong address, in which he said:

"The insult to the flag is but a part—the culmination

of a long series of violations of American rights, a long series of violations of those rights which it is the duty of our country to protect—violation not for the most part of government, but made possible by the weakness of government, because through that country range freebooters and chieftains like the captains of free companies, without control or responsibility. Lying back of this incident is a condition of things in Mexico which absolutely prevents the protection of American life and property, except through the respect for the American flag, the American uniform, the American government. It is that which gives significance to the demand that public respect be paid to the flag of the United States. There is our justification. It is a justification lying not in Victoriana Huerta or in his conduct, but in the universal condition of affairs in Mexico; and the real object to be attained by the course which we are asked to approve is not the gratification of personal pride. It is not the satisfaction of an admiral or a government. It is the preservation of the power of the United States to protect its citizens under these conditions.''

The resolution was adopted with practical unanimity. President Wilson's year of watchful waiting had at last come to a close, as it seemed, and many declared that the American flag once raised over Mexican territory would never come down.

On the day following the President's address, Admiral Fletcher was instructed to seize the customs house

at Vera Cruz. A desultory resistance was offered by the Mexican forces, resulting in the death of four of our men. A state of war between the United States and Mexico now existed. The President asked for an appropriation of a half million dollars "to bring to their homes in the United States American citizens in Mexico." Our naval forces were massed on the Mexican coast, an army was at last landed on Mexican soil, and Vera Cruz was soon in possession of the American forces. However, the American army ended its conquest with the fall of Vera Cruz. Good government was restored to the city, and soon it became as peaceful as any American city. But other dangers threatened.

Notwithstanding this act, which the President and Congress considered necessary to protect the citizens of America, and notwithstanding the fact that the war on Huerta would aid his opponents, the Constitutionalists protested vigorously and even threatened to resist the American army for landing on Mexican soil; although they were neither able to protect American citizens nor dislodge the Dictator. It seemed to be quite evident, therefore, that America was powerless to aid either faction, and that to make war on one would unify all factions and produce a solid resistance to America. The ancient hatred of the Mexican for the Americans was still greater than the hatred of one faction for another.

When President Wilson ordered the Atlantic fleet to Vera Cruz, however, he started a series of events which,

to the ordinary mind, meant war in Mexico. The annexationists really did rejoice for the time being. But the real friends of peace had a feeling of amazement and mortification, while others sought to make political capital out of the incident. However, the day after the occupation of Vera Cruz by the American forces, a new factor appeared—one that was to play an important part in the relations between America and all the Latin-American Republics.

On April 25 the diplomatic representatives at Washington of Argentina, Brazil and Chile made a formal offer of the good offices of their respective governments to bring about a peaceful and friendly settlement of the controversy between the Government of Mexico and the United States. This act showed the beneficial effects of the President's unselfish policy in the South American Republic. It was, at last, making a greater Pan American union possible and giving a new meaning to the Monroe Doctrine.

The South Americans were the kinsmen of the Mexicans, and the people of this southern continent were convinced now that the United States, as long as Woodrow Wilson was President, would not make a war of conquest on Mexico. Moreover, they realized that President Wilson was keeping steadily in view his purpose, by peace if he could, by war if he must, to work an issue honorable for the United States and as beneficial as possible to Mexico. Therefore, the tender of the good

offices of Argentine, Brazil and Chile prophesied better things for Mexico and a better relation between the United States and the South American Republics.

The President, therefore, very promptly accepted the offer of the South American Republics, and on May 20, 1914, the A. B. C. Mediators, as they were called, began their conference at Niagara Falls. Both the United States and Huerta's government also had representatives present.

Although the President had been subjected to the fiercest criticism because of his Mexican policy, he showed no signs that the criticism sank into his soul until he stood in the presence of the dead sailors killed in Vera Cruz. In a short speech he gave expression to a sentiment as well as to his feelings that touched those who read it.

"I never went into battle, I never was under fire," he said, "but I fancy that there are some things just as hard to do as to go under fire. I fancy that it is just as hard to do your duty when men are sneering at you as when they are shooting at you. When they shoot at you, they can only take your natural life; when they sneer at you, they can wound your heart."

Although Vera Cruz was seized by American forces, President Wilson took every possible public occasion to

assure the American people that there was something even greater and more heroic for the United States to do than to go to war with either faction in Mexico, and that while force had been used, he was steadfast in his belief that the "moral compulsions of the human conscience" would at last triumph over war. However, there were many Americans who wanted more war. They insisted that the American army should go on to Mexico City. They sneered at the proffered services of the A. B. C. Mediators and abused the President for accepting them.

But in an address June 5 to the naval cadets at Annapolis, he showed that he had no thought of going further with the war, if it could be avoided.

"What do you think is the most lasting impression that these boys down at Vera Cruz are going to leave? They have had to use some force—I pray to God it may not be necessary for them to use any more—but do you think that the way they fought is going to be the most lasting impression? Have men not fought ever since the world began? Is there anything new in using force? The new things in the world are the things that are divorced from force. The things that show the moral compulsions of the human conscience, these are the things by which we have been building up

civilization, not by force. And the lasting impression that those boys are going to leave is this, that they exercise self-control; that they were diligent and ready to make the place where they went fitter to live in than they found it; that they regarded other people's rights; that they did not strut and bluster, but went quietly, like self-respecting gentlemen, about their legitimate work. And the people of Vera Cruz, who feared the Americans and despised the Americans, are going to get a very different taste in their mouths when the boys of the navy and the army come away. Is that not something to be proud of, that you know how to use force like men of conscience and like gentlemen serving your fellow-men and not trying to overcome them?"

President Wilson was evidently establishing an unusual precedent. The annexationists in America could not understand his language, nor appreciate his purpose. They believed that war would settle war and why the United States hesitated to march on to the capital of Mexico was beyond their comprehension.

In the meantime the A. B. C. Mediators were making progress. Although the task of establishing individual peace in Mexico was almost a hopeless one from the beginning, it was made clear to the Latin-American states

that peace was impossible while Huerta remained in authority. The American government would not be satisfied now with a compliance of Admiral Mayo's demands. The old Dictator must abdicate and give the friends of constitutional government a chance to restore peace and order. And on June 11, the peace conferees announced that they had agreed on the transfer of authority in Mexico and the establishment of a new government. Not until then did General Carranza, chief of the Constitutionalists, consent to send representatives to the Conference.

The Niagara Conference came to a close on July 1. It was agreed in a protocol that Huerta must not stand in the way of constitutional government, or, in other words, that he must abdicate. On the other hand, the United States was bound to recognize the provisional government to be set up in Mexico through the offices of the conference, to restore diplomatic relations with Mexico and to exact no indemnity whatever, but Mexico was to agree to take measures for the payment of all just claims for the destruction of the property of foreign residents. And the withdrawal of the American troops from Vera Cruz was left to a future agreement. Although the agreement among the mediators and the delegates had no legal force, as a treaty would have between well established governments, it did have a tremendous moral effect.

Meanwhile the Constitutionalists were very active. They were drawing their forces nearer and nearer to

the Capital. The attitude of the American Government to them made it easy for them to secure the supplies they needed.

The conference was adjourned, the Constitutionalists were more and more successful, and the nations were waiting for something to happen. There was much speculation as to what Huerta would do under the circumstances. On July 5, he was reelected president. But three days later he presented the protocol to the Mexican Congress and on the 15th he delivered his formal address to the two houses of the Mexican Congress and left his native country forever.

President Wilson's policy had at last succeeded, and it was now in great favor. The nations of the world were applauding. "The steady pressure of moral force" was breaking down the barriers of pride and prejudice, and it seemed that we were about to triumph as Mexico's friend.

CHAPTER XI

PRESIDENT WILSON'S RELATIONS WITH GENERAL CARRANZA

There was a sigh of relief in America when Huerta abdicated. But many people in this country believed that he was the only man with sufficient nerve and shrewdness to keep the Mexican bandits down. This was also the view of many foreigners then living in Mexico.

His abdication left the country really in the hands of the Constitutionalists. General Venustiano Carranza had been First Chief of the Constitutionalists since the death of Francisco Madero, and he at once became the central figure of Mexico. But there were two other Constitutionalists in Mexico whom General Carranza had to reckon with, General Francisco Villa and General Zapata. The Constitutionalists were by no means united and the character of both Villa and of Zapata was such that little hope was entertained of a peaceful settlement without further bloodshed.

There was a cessation of hostilities, however, and on August 20 General Carranza made his triumphal entry into Mexico City. It was a peaceful entry. The city

was prepared for his coming. Crowds came out to welcome him and flowers were strewn in his path. And as he marched into the city he was hailed as the liberator of the people. And for the second time constitutional government seemed to be ready to enter upon its rights and find an abiding place in the ancient capital of the Montezumas.

It was for this that the American government had been waiting rather impatiently. Then the American flag was lowered at Vera Cruz (September 15), and the American army was transported back to American soil. Thus ended our "little war" in Mexico, and it was believed for the time that President Wilson's "watchful waiting" policy would triumph in the end. However, the distracted country had not yet suffered enough. The pentecost of calamity was still incomplete.

On September 15 General Carranza expressed his intention to turn over the control of the Mexican government to a provisional President, to be selected by the Constitutionalists and to become a candidate for the presidency. The other leaders had no love for Carranza, nor he for them. He was characterized as a narrow, selfish man, somewhat of a patriot and an idealist, but possessing an individual greed for power and an intense hatred of all foreigners, including Americans. The other two leaders had a history of lawlessness and bandit warfare to their credit that made them objectionable to any civilized country.

When General Carranza's program was announced, Villa and Zapata made common cause, and on September 23 declared war against him. Thus the bitter struggle was resumed. Meanwhile, President Wilson fell back on his "watchful waiting" policy and showed a determination to let the warring factions fight out their differences without interference from this country.

Again there was a loud demand for intervention. Some wanted the President to recognize Carranza and throw the weight of this country on his side. Others insisted that Villa, whose daring exploits in the North were well known, was the real patriot and that he should be recognized and encouraged. But the President announced his purpose of keeping this country neutral in the new war.

Mr. Samuel G. Blythe published in the Saturday Evening Post an authorized interview with President Wilson, in which he explained why he was determined not to interfere in the settlement of old abuses in Mexico.

"It is a curious thing," he said, "that every demand for the establishment of order in Mexico takes into consideration, not order for the benefit of the people of Mexico, the great mass of the population, but order for the benefit of the old-time regimé, for the aristocrats, for the vested interests, for the men who are responsible for this

very condition of disorder. No one asks for order because order will help the masses of the people to get a portion of their rights and their land; but all demand it so that the great owners of property, the overlords, the *hidalgos,* the men who have exploited that rich country for their own selfish purposes, shall be able to continue their processes undisturbed by the protests of the people from whom their wealth and power have been obtained."

Neutrality was more difficult to maintain now because of the European war, which seemed to arouse the fighting instinct throughout the civilized world. Therefore, every new story of indignities to Americans or to the American flag that found its way across the border from Mexico was seized upon by those who had favored intervention from the beginning and trailed through the newspapers to arouse the Americans. As this factional warfare continued, the American border was harrassed by roving bandits and the stories of outrages inflicted on Americans were multiplied. However, President Wilson adhered to his "watchful waiting" policy. He had by peaceful means rid Mexico of its Dictator, and he was firm in his conviction that non-interference would cause the United States to triumph in the end as Mexico's friend, and that constitutional government after the

pentecost would be more enduring than any temporary peace that might be forced on Mexico through a bloody intervention.

The press in many sections of the country was relentless in its condemnation of the President. American property was being destroyed. American citizens were outraged. Moreover, the balance of the civilized world was at war, and the United States was the only great nation whose armies were not active. So severe was the abuse that President Wilson, in an address before the Jackson Club of Indianapolis, January, 1915, gave a curt reply to his critics:

"I want to say a word about Mexico," he said, "not so much about Mexico as about our attitude towards Mexico. I hold it as a fundamental principle, and so do you, that every people has the right to determine its own form of government, and until this recent revolution in Mexico, until the end of the Diaz regimé, eighty per cent of the people of Mexico never had a 'look in' in determining who should be their governors, or what their government should be. Now, I am for the eighty per cent. It is none of my business, and it is none of your business how long they take in determining it. It is none of my business and it is none of your business how they go about the

business. The country is theirs. The government is theirs. The liberty, if they can get it, and God speed them in getting it, is theirs. And so far as my influence goes, while I am President, nobody shall interfere with them.

"Do you suppose that the American people are ever going to count a small amount of material benefit and advantage to people doing business in Mexico against the liberty and permanent happiness of the Mexican people? Have not European nations taken as long as they wanted and spilt as much blood as they pleased in settling their affairs, and shall we deny that to Mexico because she is weak? No, I say, I am proud to belong to a strong nation that says, 'This country, which we could crush, shall have just as much freedom in her own affairs as we have. If I am strong I am ashamed to bully the weak. In proportion to my strength is my pride in withholding that strength from the oppression of another people.' And I know when I speak these things, not merely from the gracious response with which they have just met from you, but from my long time knowledge of the American people, that that is the sentiment of the American people."

However, the infinite capacity of the Mexican leaders to quarrel and scrap, and of the people to endure oppression and to suffer the extremes of distress, was drawing heavily on the President's patience. The innumerable stories that came up from the border contained some real accounts of positive outrages; and the factions were powerless to protect the American border states. It was with difficulty that the Administration sifted the real from the false. Moreover, coupled with these realities, came stories of intolerable conditions in Mexico, due to disease and famine, that arose as a protest against the long struggle between the warring factions. There was no central authority in Mexico with which this nation could treat, and the end of the revolution seemed to be farther away than it appeared to be when President Wilson was inaugurated.

After waiting all spring for the chiefs to put an end to their differences, President Wilson, on June 2, 1915, announced that he was preparing to alter his watchful waiting policy. In an address issued to the American people, he said:

"For more than two years revolutionary conditions have existed in Mexico. The purpose of the revolution was to rid Mexico of men who ignored the Constitution of the Republic and used their power in contempt of the rights of its people, and with these purposes the people of the United

States instinctively and generously sympathized. But the leaders of the revolution, in the very hour of their success, have disagreed and turned their arms against one another. All professing the same objects, they are, nevertheless, unable or unwilling to cooperate. A central authority at Mexico City is no sooner set up than it is undermined and its authority denied by those who were expected to support it.

"Mexico is apparently no nearer a solution of her tragical troubles than she was when the revolution was first kindled. And she has been swept by civil war as if by fire. Her crops are destroyed, her fields lie unseeded, her people flee to the mountains to escape being drawn into unavailing bloodshed, and no man seems to see or lead the way to peace and settled order. There is no proper protection, either, for her own citizens, or for the citizens of other nations resident and at work within her territories. Mexico is starving and without a government.

"In these circumstances the people and the Government of the United States cannot stand indifferently by and do nothing to serve their neighbor. They want nothing for themselves in Mexico. Least of all do they desire to settle her

affairs for her, or claim any right to do so. But neither do they wish to see utter ruin come upon her, and they deem it their duty as friends and neighbors to lend any aid they properly can to any instrumentality which promises to be effective in bringing about a settlement which will embody the real object of the revolution—constitutional government and the rights of the people.

"Patriotic Mexicans are sick at heart and cry out for peace and for every self-sacrifice that may be necessary to procure it. Their people cry out for food and will presently hate as much as they fear every man in their country or out of it who stands between them and their daily bread.

"And it is time, therefore, that the government of the United States should frankly state the policies which in these extraordinary circumstances, it becomes its duty to adopt. It must presently do what it has not hitherto done or felt at liberty to do, lend its active moral support to some men or group of men, if such may be found, who can rally the suffering people of Mexico to their support in an effort to ignore, if they cannot unite, the warring factions of the country, return to the constitution of the republic so long in abeyance, and set up a government at Mexico City

which the great powers of the world can recognize and deal with—a government with whom the program of the revolution will be a business and not merely a platform.

"I, therefore, publicly and very solemnly, call upon the leaders of factions in Mexico to act, to act together, and to act promptly for the relief and redemption of their prostrate country. I feel it to be my duty to tell them, if they cannot accommodate their differences and unite for this great purpose within a short time, this government will be constrained to decide what means should be employed by the United States in order to help Mexico save herself and serve her people."

This address was the signal for renewed activity on the part of the combatants. They seemed to be playing to the American galleries and watching for approval from the American administration. During the month of June, so variable were the fortunes of war that the Mexican capital changed hands three different times. The President, therefore, decided to act.

In August diplomatic representatives at Washington of six of the Republics of Central and South America met with the Secretary of State to discuss again means for ending the chaos in Mexico. The result was an appeal by the seven diplomats (August 14) to certain Mexicans

who possessed authority or power. It proposed a conference of those directing the armed movements in Mexico and offered help in adjusting the differences between the warring factions.

General Villa accepted at once the proposals, and for a time he was a popular hero in America, regardless of his past life. But General Carranza rejected all proposals and pointed out the dangers which might ensue from any interference. He believed that the Mexicans must fight it out alone and his suspicion of all foreigners would not permit him to consent for this country to aid in settling the difficulties.

The diplomats, however, met again on September 18, 1915, and agreed to recognize the leader who at the end of three weeks had best demonstrated his ability to maintain order. Accordingly, on October 19, the United States and eight of the Republics of Central and South America extended formal recognition to General Carranza. That meant, of course, that the good will of the nations was thrown against all other factions in Mexico, including Villa, the soldier of fortune, who had had such a spectacular career.

Thus, after more than a year of factional strife, General Carranza was recognized as the head of the *de facto* government. He seemed to be the only leader with sufficient patriotism to restore order. The distressed country was sorely in need of a patriot who could and would restore constitutional government to Mexico. Bandit

chieftains had plundered the country long enough. The Republics of the two Americas, acting jointly, therefore chose General Carranza for the delicate and very responsible undertaking.

To the careful students of the Mexican revolution, it had become a settled conviction that permanent order must come through the leadership of a real Mexican patriot, and not through intervention. Three of the Latin-American Republics aided the United States in dethroning Huerta, the Dictator. But since that time, the President had convinced the Republics of this hemisphere that he was standing firmly by his early policy to see right and justice prevail, regardless of the temporary inconveniences to the border states or the loss of foreign business in Mexico. This spirit of fair play had at last won over eight of the Latin-American Republics, which were now fully convinced that the great American nation would exercise patience with the weak and distressed Mexican republic. A Pan American union was now possible, and even the Mexican people, who two years before would not even consider President Wilson's proposals, seemed now to be in a state of mind to listen to advice.

The recognition of General Carranza as head of the *de facto* government in Mexico greatly strengthened his position. He now had the advantage over all the factional chiefs who were hostile to him, since they were unable to buy easily and legally munitions of war. Con-

sequently, many of the factional soldiery of Mexico went over to his standard, taking solid regiments with them. However, General Francisco Villa, perhaps the ablest military chieftain in Mexico, lost both prestige and power, and as he saw his rival rising because of the advantage given him by this nation especially, he, like Huerta, the Dictator, became the more desperate and dangerous, breathing out insane threats against all Americans.

The savage nature of the man who had risen from a peon to a general of recognized ability, broke out in all of its primitive bitterness, and he followed up his threats with lawless acts of such violence that the entire American border was thrown into a state of confusion. His stronghold was the Province of Chihuahua, that borders the states of Texas and New Mexico. General Carranza seemed powerless to curb his bloody deeds or to protect the American border. Shocking murders of American mining men in Mexico were reported. Ranches and settlements were looted, and as Villa moved northward toward the Rio Grande, El Paso and other American towns were thrown into a state of panic.

The Administration was giving General Carranza a fair opportunity to restore order. At the same time the American troops stationed along the border were warned as to the designs of the bandits to wreak vengeance on American citizens. As Villa's insane hatred for Americans increased, it became more and more apparent that

this nation would be compelled to act in self-defense. This seemed to be what Villa desired above everything else. The American army in Mexico might so inflame the Mexicans that even Carranza's leadership would be destroyed. His army, therefore, was turned against America now, rather than against his old enemy.

It was known to the American government early in March, 1916, that Villa was perhaps planning to attack certain American towns. He seemed to be headed towards Columbus, New Mexico, one of the more than forty points along the border which formed headquarters or centers for detachments of American soldiers. The authorities of Columbus were even warned as to Villa's designs.

On the night of March 9 the bandits, like a cyclone, struck the little town. The inhabitants and the garrison were unprepared. After some confusion, however, the soldiers drove the Mexicans across the border and, pursuing, killed about sixty of them. But Villa and his bandits made good their escape—leaving about twenty soldiers and citizens of Columbus slain.

The Administration acted promptly. On the day after the raid, the following statement was issued from the White House:

"An adequate force will be sent at once in pursuit of Villa, with the single object of capturing him and putting a stop to his forays. This can

and will be done in entirely friendly aid of constituted authority in Mexico, and with scrupulous respect for the sovereignty of that Republic."

It would have been an easy task for the Administration to rush American soldiers into Mexico, and this is evidently what Villa thought would be done. But it was the policy of the Administration to convince General Carranza that America was cooperating with him to end the lawlessness in northern Mexico, which he was not temporarily prepared to accomplish. General Funston was placed in command of the American forces, with instructions to capture Villa. But at the same time every possible effort was made to conciliate Carranza and to save Mexican pride.

However, the successor to the Montezumas was no easy ruler to deal with. He seemed to live in a world of make-believe, while blood and murder and famine passed by his headquarters. He spoke of his government with quixotic enthusiasm, and seemed to take it as a slight that the President of the United States did not consider him amply able to cope with the situation. Moreover, he seemed to look upon the bandit attacks as a mere temporary inconvenience to this country, until he could get his hands on the situation. And he gave preemptory orders for the capture of the bandits, without having sufficient force even to reach the border.

The American government, however, was compelled

not only to stop this border warfare, but it had to be done in such a way, if possible, as not to arouse the ancient hatred of the Mexicans, nor to disturb the pride of General Venustiano Carranza, First Chief of the Constitutionalists.

Would this quixotic leader permit our government to send troops into Mexico to capture the bandits? That was the question that this nation discussed for several days. And he sat at his little headquarters and deliberated over that question as though he had the whole of Central and South America at his back. Then, after some delay, he very grudgingly gave his formal consent on the condition that Mexican troops might have a corresponding privilege of crossing the line into the United States in pursuit of outlaws.

This privilege was promptly granted by the American Administration. But it had become quite evident to this government that in dealing with such a man as General Carranza, we were in extreme danger of war with Mexico, and this was especially true if the old hero should fall into designing hands just at this critical moment.

As the American forces advanced into Mexico, the problem of securing supplies became a perplexing one. The Administration had to request the Carranza government to give General Funston permission to use the railroads, and after some delay this also was grudgingly granted. The greatest difficulty of the American forces, however, was not in pursuing Villa, but in so conducting

the expedition as not to inflame the Mexicans. Since the latter danger was always present, it was necessary to carry a force sufficiently large to make it undesirable for any considerable body of Mexicans to attack the Americans.

But General Carranza's attitude was now favorable, and the President used every precaution possible to make it comprehensible to the people of both countries that we had no designs upon Mexican territory and that we did not desire to interfere unduly with their affairs. Notwithstanding Mr. Wilson's repeated assurances, however, there seemed to be reactionaries both in America and in Mexico who were determined to bring about intervention. Certain business interests seemed to have the same designs as General Villa had. Therefore, on March 25, President Wilson issued an address to the American people which was at the same time a warning to the "unscrupulous influences" at work along the border:

"As has already been announced," he said, "the expedition into Mexico was ordered under an agreement with the *de facto* Government of Mexico for the single purpose of taking the bandit Villa, whose forces had actually invaded the territory of the United States, and is in no sense intended as an invasion of that Republic or as an infringement of its sovereignty.

"I have, therefore, asked the several news services to be good enough to assist the administration in keeping this view of the expedition constantly before both the people of this country and the distressed and sensitive people of Mexico, who are very susceptible, indeed, to impressions received from the American press not only, but also very ready to believe that these impressions proceed from the views and objects of our Government itself. Such conclusions, it must be said, are not unnatural, because the main, if not the only, source of information for the people on both sides of the border is the public press of the United States.

"In order to avoid the creation of erroneous and dangerous impressions in this way I have called upon the several news agencies to use the utmost care not to give news stories regarding this expedition the color of war, to withhold stories of troop movements and military preparations which might be given that interpretation, and to refrain from publishing unverified rumors of unrest in Mexico.

"I feel that it is most desirable to impress upon both our own people and the people of Mexico the fact that the expedition is simply a necessary

punitive measure, aimed solely at the elimination of the marauders who raided Columbus and who infest an unprotected district near the border, which they use as a base in making attacks upon the lives and property of our citizens within our own territory. It is the purpose of our commanders to cooperate in every possible way with the forces of General Carranza in removing this cause of irritation to both Governments, and to retire from Mexican territory so soon as that object is accomplished.

"It is my duty to warn the people of the United States that there are persons all along the border who are actively engaged in originating and giving as wide currency as they can to rumors of the most sensational and disturbing sort, which are wholly unjustified by the facts. The object of this traffic in falsehood is obvious. It is to create intolerable friction between the Government of the United States and the de facto Government of Mexico for the purpose of bringing about intervention in the interest of certain American owners of Mexican properties. This object cannot be attained so long as sane and honorable men are in control of this Government, but very serious conditions may be created, unnecessary bloodshed

may result, and the relations between the two republics may be very much embarrassed.

"The people of the United States should know the sinister and unscrupulous influences that are afoot, and should be on their guard against crediting any story coming from the border; and those who disseminate the news should make it a matter of patriotism and of conscience to test the source and authenticity of every report they receive from that quarter."

General Carranza's position was made still more difficult by these "unscrupulous influences," and he in as plain words as President Wilson used, attributed the inspiration of the border raids, designed to involve the United States in trouble with Mexico, to Mexican "reactionaries." These, together with the "reactionaries" in America—owners of Mexican land, mines, oil wells and railroads—seemed to be deliberately trying to precipitate revolution. Not all of these were Americans. Englishmen, Frenchmen, Germans and Spaniards have large holdings in Mexico, and they all looked to the United States Government, because of its historic policy, to find a way for them to obtain compensation.

Thus the Mexican question was full of perplexities that were bewildering in the extreme. There seemed to be a sort of conspiracy on the part of certain Americans

and foreigners to plunge this country into war, in spite of the efforts of the President to deal fairly with Carranza and put an end to the strife in Mexico. And when the President was seemingly unmoved by the many stories of murder and pillage that came up from across the border, he was attacked by the press and others hostile to his policies for not protecting American citizens and upholding the honor and dignity of this country. The President's note of warning, therefore, called attention to an enemy greater than Carranza or even Villa—those who were trafficking in falsehoods in order "to create intolerable friction between the government of the United States and the *de facto* government of Mexico for the purpose of bringing about intervention in the interest of certain American owners of Mexican properties."

The American army was now driving southward in search of Villa, whose army was broken up into small, roving bands and scattered throughout the mountainous districts. In the meantime, General Obregon, Carranza's Minister of War and the rising figure in Mexico, sent a troop of 5,000 natives to assist in the pursuit of Villa and his scattered bands of marauders. Thus the two armies were acting in conjunction, and the end of the revolution seemed to be near at hand, provided the native Mexicans, who were ignorant and suspicious of every move on the part of the Americans, were not aroused to resist the advance of the American troops, which were

having fierce encounters with bands of Villa's disintegrated army.

After one fierce encounter, in which Colonel Dodd of the American cavalry surprised a company of Villa's army, it was reported that Villa was wounded, and later that he was dead. Many believed this report to be a pure fabrication. Anyway it had the desired effect, and there arose a demand for the withdrawal of the American forces from Mexico, since the object for which the Americans sought had been removed.

Whether Villa were dead or alive, he seemed to be beyond the reach of the Americans. More than a month had elapsed since the attack was made on Columbus, and the presence of the Americans in Mexico appeared now to the natives to be a menace rather than a friendly mission. Therefore, General Carranza requested the American government to withdraw the troops.

President Wilson treated this request in a dignified manner, and requested General Carranza to arrange for a conference in which the two governments might come to some understanding as to the best course to pursue in order to protect the American border from further outrages. General Carranza acquiesced in the request, and General Obregon, representing the *de facto* government of Mexico, and General Hugh L. Scott, representing the United States, met in El Paso on May 1, and an amicable settlement was prophesied from the beginning.

In the midst of this conference, however, another group

of bandits crossed the border and attacked another American community. All negotiations came to a standstill at once, and another expeditionary force crossed the line and went off into the sands and cacti in pursuit of the outlaws. There seemed to be some force at work in Mexico to prevent a peaceful adjustment of the matter. Whenever an understanding was about to be reached, another blow would be struck, and another American expedition would move. Carranza became excited. Old fears seemed to seize him, in spite of President Wilson's pains to assure him that all this nation desired was to see an end to the border outrages. Then old suspicions came to the surface.

Finally, on May 31, a note from Carranza was presented to the Secretary of State demanding an immediate withdrawal of American troops from Mexico. It intimated that President Wilson had not been acting in good faith. "There has been a great discrepancy," it said, "between the protests of sincere friendly cooperation on the part of the American authorities and the actual attitude of the expeditions, which, on account of its distrust, its secrecy regarding its movements, and the arms at its disposal, clearly indicate that it was a hostile expedition and a real invasion of our territory."

This note was indeed a great surprise to the American people and gave at once a new turn to the whole Mexican problem. It was said, however, that it was well received in Mexico City. Therefore, many Americans

were inclined to believe that it was written "for home consumption."

The American government made no immediate answer to this note. However, it was a warning. But the American commander, General Pershing, continued to dispose of his troops to the best advantage and General Obregon continued to cooperate with him. In the meantime the American government had taken the precaution to hold up all arms and munitions en route from this country to Carranza's army.

A second warning came on June 16 which was still more threatening. General Trevino, commanding the Carranza Army of the North, advised General Pershing, American Expeditionary Commander, that any movement of American troops from their present line to the south, east or west would be considered a hostile act and a signal to commence warfare.

General Pershing replied promptly. "I take orders only from my government," he said. "Please make that plain to General Carranza."

Instead of dealing further with the American Government at Washington, General Carranza began to issue, through his generals, orders to the American Commanders in Mexico.

Meanwhile, the American government was considering the Carranza note and the action of General Trevino. General Carranza, it appeared, had changed his whole attitude toward the American nation. What new in-

fluences surrounded him? What insidious agents were at work? While those questions were being discussed, newspapers published an interview with Carranza on June 20, in which he was reported to have said:

"I have ordered the military leaders of our forces near the border not to permit the further passing of any American forces into Mexican territory." He then intimated that the American troops were not sent into Mexico for the bandits alone, but that heavy artillery was brought in for a campaign against Mexico. Therefore, he said, the Mexican people did not believe in the sincerity of the American government, and they were prepared to resist. Later, in addressing his army, he spoke of the Spanish and Indian blood that flowed through their veins and exhorted them to stand ready to defend their country. War seemed inevitable.

On the next day, June 21, President Wilson's reply to Carranza's demand for withdrawal of American troops was sent. The note was long and carefully worded. The President reviewed the diplomatic relations, but refused to meet all of Carranza's demands.

Next morning he heard the newsboys in the streets of Washington crying "extra." He sent for a copy of the paper and read the account of a clash between the Mexicans and Americans. An hour later General Funston's official dispatch was received informing him that a fight had taken place on Wednesday morning, June 21, at Carrizal, and a few days later General Car-

ranza notified the Secretary of State that the attack on American troops was in compliance with his orders.

Immediately after the news of the Carrizal clash was received in Washington, an emergency call was put in for the quick mobilization of the National Guard. This act was the signal for thousands of citizens to quit their peaceful occupations, leave their homes, and go into military training. In every state the tramp, tramp of the soldier boys stirred the heroic natures of men, women, and children who collected along the streets or gathered at the railway stations to wave farewell to the soldiers "off for Mexico." It was now generally believed that the long-expected and by many hoped-for, war with Mexico was at last at hand.

President Wilson, however, instead of becoming excited and rushing headlong into war, began at once to seek the cause for this strange turn in affairs. General Carranza's whole attitude was a puzzle. It was inconceivable that he should, of his own initiative, seek war with the United States. Was the change due, then, to insidious foreign influences? Were the Mexicans becoming so excited over the continued presence of the American army in Mexico that General Carranza was unable to hold them in check? Did he really fear that the American army was sent into Mexico for the purpose of making a war of conquest? Or had the "unscrupulous influences" on the border succeeded, at last, in their

designs, after President Wilson had repeatedly warned both countries against them?

These questions were argued by the press of this country, and excited Americans fairly raved—some for war, and some against war. But who was really responsible for the clash at Carrizal—Americans or Mexicans?

In the midst of this new confusion, while war-shouts were being heard in every village, President Wilson kept his head and proceeded very deliberately to seek the motive for this change in affairs. His first act was to demand of General Carranza an immediate release of the American prisoners captured at Carrizal and a safe escort for the border. This demand was complied with. He next asked General Carranza to state at once the intentions of the Carranza government toward General Pershing's army on Mexican soil. The reply was convincing to the President that the Carranza government certainly did not desire war with the United States. Moreover, General Trevino in command of the Carranza army in Chihuahua, where the clash occurred, was transferred to another province.

General Carranza's attitude now was very pleasing to the American government. His note was considered the "wisest and most restrained communication the Carranza government has yet delivered to the United States government," and it was believed by the Administration

that the real points at issue had been "grasped for the first time clearly by the Carranza government," which declared its willingness to "consider in a quick and practical way, prompted by a spirit of concord, the remedies which should be applied to the present situation."

Thus the little clash at Carrizal was apparently bringing about a better understanding between the two nations, and America was again about to triumph as Mexico's friend.

However, there is nothing so disturbing to the peace of the country as the sight of moving armies. Americans everywhere seemed to rise up and ask to go to war. A million soldiers could have been raised easily. The impulse to go to war was exceedingly strong. But the President was determined not to hit any part of Mexico, prostrate from long and bitter internal strife. And again he curbed the American passion and held the dogs of war in leash and refused to let them go. At the same time the State Department was working with General Carranza to reach a peaceful solution of the two problems that caused the conflict between the two countries: the presence of United States troops on Mexican soil and the raids on the United States border.

The President was criticized for not rushing a half million men into Mexico and for not closing all Mexican ports. However, he still believed that war with Mexico could be avoided, and he would not let any force drive him into a war of conquest. He knew the people of

Mexico were suspicious of the Americans and even hated them. Moreover, he knew that they had some just cause to hate Americans and to speak contemptuously of them as "Gringoes." Therefore, he declared again his policy toward Mexico.

He was speaking, July 10, to the World's Congress of Salesmen in session in Detroit. He told his hearers who were concerned over the border states "we have to defend our border. That goes without saying. Of course, we must make good our own sovereignty. But we must respect the sovereignty of Mexico." And while these words were being uttered, the Secretary of War was massing troops on the border. But he assured this nation that such an act did not mean war. He declared that it was his purpose to help, not harm, Mexico. But he said that there were two ways of helping Mexico.

"I was trying," he said, "to expound in another place the other day the long way and the short way to get together. The long way is to fight. I have heard some gentlemen say that they want to help Mexico, and the way they purpose to help her is to overwhelm her with force. That is the long way to help Mexico, as well as the wrong way. Because, after the fighting you will have a nation full of justified suspicion and animated by well-founded hostility and hatred.

And then will you help them? Then will you establish cordial business relationship with them? Then will you go on as neighbors and establish their confidence? On the contrary, you will have shut every door as if it were of steel against you.

"What makes Mexico suspicious of us is that she does not believe as yet that we want to serve her. She believes we want to possess her. And she has justification for the belief in the way in which some of our fellow-citizens have tried to exploit her privileges and her possessions. For my part I will not serve the ambitions of those gentlemen, but I will try to serve all America, so far as intercourse with Mexico is concerned, by trying to serve Mexico herself."

CHAPTER XII

GOOD FAITH AND JUSTICE TOWARD ALL NATIONS

Washington's Farewell Address to the people of the United States is regarded as a great American Classic and is taught in the public schools of America and held up to the youth as a political ideal. In speaking of our foreign relations, he said: "It will be worthy of a free, enlightened, and at no distant period a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence." It was this ideal that President Wilson adopted for his guidance in dealing with foreign countries. The practice, however, of certain Senators and Members in drawing from the national treasury unfair and unjust appropriations for their respective states, contemptuously referred to as "pork barrel" legislation, is about the attitude, as a rule, of one nation to the remainder of the world.

In August, 1912, while the Presidential campaign was in a very acute stage, Congress enacted a law providing for the future administration of the Panama Canal. One section in that law gave free passage through the canal

to the ships of the United States engaged in coastwise trade, but provided that all other American ships, as well as all ships of foreign countries, passing through the canal, should pay a toll.

This whole question was very freely discussed by the people of this country before the passage of this act, and both political parties went on record as favoring the exemption from tolls of American ships engaged in coastwise trade. However, the British government and other nations objected to our favored treatment of our own shipping, on the ground that it violated the Hay-Pauncefote Treaty. It was contended by the Taft administration and Congress that it was never understood when the treaty was ratified that Mr. John Hay, our ambassador, was signing away our rights to the free use of the canal for coastwise trade. Therefore, the law was passed over the protest of the British government and to the surprise of the nations of Europe.

When President Wilson was inaugurated, the canal was incomplete, but plans were being matured for its formal opening. The protests of foreign nations, however, against what they considered was an act of injustice on the part of the American government, seemed to rob this nation of much of the glory for bringing to completion such a tremendous undertaking.

After Mr. Wilson became President, he came to the conclusion that the old Clayton-Bulwer Treaty of 1850 was an agreement between the United States and Great

Britain that neither country should have exclusive control over any inter-ocean canal in Central America, and that the Hay-Pauncefote Treaty, which superseded the Clayton-Bulwer Treaty, was a guarantee to Great Britain, or its wording was such as to leave the impression on the European nations, that the canal would be open to both nations and to all nations on the same terms.

Moreover, it developed after the American coastwise vessels were exempt from toll, that out of the hundreds of regular trans-Atlantic liners, only six ships were flying the American flag, but that the American coastwise shipping was a vast fleet. According to the figures quoted by an English writer, Mr. Winthrop Marvin, our coastwise fleet was greater than the entire German merchant marine and greater than the combined merchant marines of France and Italy. It appeared, therefore, that very nearly all of the American vessels were exempt from toll by the Repeal Act, and Mr. Wilson considered this a violation certainly of the spirit, if not the letter, of the treaty.

The Panama Canal was not opened until August 14, 1914. In the meantime, President Wilson was giving the matter of toll exemption very careful study, and in February he wrote to Mr. William L. Marbury, of Baltimore, a letter which indicated how his mind was working on the problem:

"With regard to the question of canal tolls my

opinion is very clear," he said. "The exemption constitutes a very mistaken policy from every point of view. It is economically unsound; as a matter of fact, it benefits for the present, at any rate, only a monopoly and it seems to me, in clear violation of the terms of the Hay-Pauncefote Treaty. There is, of course, much honest difference of opinion as to the last point as there is, no doubt, as to others. But it is at least debatable, and if the promises we make in such matters are debatable, I, for one, do not care to debate them. I think the country would prefer to let no question arise as to its whole-hearted purpose to redeem its promises in the light of any reasonable construction of them rather than debate a point of honor."

His program had two distinct purposes in view—(1) to destroy monopoly, and (2) to restore the rule of right and justice in all foreign relations as well as in domestic affairs. As the discussion of this question continued, the opinion grew that the exemption clause encouraged monopoly and was a violation of the rule of right and justice.

For the time the country forgot the anti-trust bills in Congress and gave all attention to this, the newest sensation. The old question of how far a party is bound

by a plank in the platform was discussed pro and con. It was argued, furthermore, that the exemption act was indirectly a subsidy, and that the Democratic platform was emphatic in its opposition to subsidies, which encouraged monopolies, and since the final step in the overthrow of monopoly was about to be taken, the exemption clause in the Panama Canal act should be repealed even before the anti-trust laws were enacted. Mr. Wilson started the nation to discussing the question. Then he withdrew from the argument for a while and waited until March 5, when he appeared before Congress, and in the following words asked that body to reverse its position in the exemption clause of the Panama Canal act:

"Gentlemen of the Congress," he began, "I have come to you upon an errand which can be very briefly performed, but I beg that you will not measure its importance by the number of sentences in which I state it. No communication I have addressed to the Congress carried with it graver or more far-reaching implications as to the interest of the country, and I come now to speak upon a matter with regard to which I am charged in a peculiar degree, by the Constitution itself, with personal responsibility.

"I have come to ask you for the repeal of that

provision of the Panama Canal Act of August 24, 1912, which exempts vessels engaged in the coastwise trade of the United States from payment of tolls, and to urge upon you the justice, the wisdom, and the large policy of such a repeal with the utmost earnestness of which I am capable. In my own judgment, very fully considered and maturely formed, that exemption constitutes a mistaken economic policy from every point of view, and is, moreover, in plain contravention of the treaty with Great Britain concerning the canal concluded on November 18, 1901. But I have not come to urge upon you my personal views. I have come to state to you a fact and a situation. Whatever may be our own differences of opinion concerning this much debated measure, its meaning is not debated outside the United States. Everywhere else the language of the treaty is given but one interpretation, and that interpretation precludes the exemption I am asking you to repeal. We consented to the treaty; its language we accepted, if we did not originate it; and we are too big, too powerful, too self-respecting a nation to interpret with a too strained or refined reading the words of our own promises just because we have power enough to give us leave to read them

as we please. The large thing to do is the only thing we can afford to do, a voluntary withdrawal from a position everywhere questioned and misunderstood. We ought to reverse our action without raising the question whether we were right or wrong, and so once more deserve our reputation for generosity and for the redemption of every obligation without quibble or hesitation.

"I ask this of you in support of the foreign policy of the administration. I shall not know how to deal with other matters of even greater delicacy and nearer consequence if you do not grant it to me in ungrudging measure."

This was indeed a remarkable request—remarkable for its boldness and for its directness. So brief was the address that he had finished almost before his hearers were aware that his appeal was fairly begun. However, when he bowed to the assembly and left the rostrum, they were aware of the fact that he had appeared in person to ask them to do an unprecedented but very important thing; namely, to repudiate a plank in the Democratic platform and to reverse themselves on the Exemption Act.

Mr. Wilson had been President just a year and a day when he faced Congress in that calm and confident manner. There were members of the Senate and of the House

who had been in public life more than a generation and who had been a part of the national legislative body longer than Woodrow Wilson had been a national figure. And he was now asking them to reverse a step that had been taken deliberately less than two years ago and after considerable discussion.

The address was praised as "straightforward" and "effective." However, it was declared by press correspondents that "it was received more unfavorably than any other utterances he has made to the National Legislature." It was the last sentence of the address which attracted the attention of the entire nation. "What were those 'other matters of even greater delicacy?'" Then critic after critic declared that the President was wrong. Some even said that he was under some sinister influence or that he was courting friendship with England.

It was sometimes hard for the business men to understand Mr. Wilson's rule of right and justice when it was to be applied to domestic matters. It was hard for those interested in the annexation of Mexico to understand it when applied to our relations with Latin-American states. But it was considerably harder for certain members of the legislative body to understand it when applied to international relationship.

Two of the greatest issues of President Wilson's administration were before Congress at this time—The anti-trust laws and the repeal of Panama tolls. It was

a part of Mr. Wilson's tactics while important measures were pending to lay down the fundamental principles that should guide America in all of its governmental processes, and he usually chose some public occasion in which to re-state these principles. On May 16, 1914, while these two measures were pending and while the press of the country was keeping the nation informed as to the gossip and their progress, Mr. Wilson delivered an address at the unveiling of the statue of Commodore John Barry, a Revolutionary patriot, in which he referred to Washington's injunction to this country to keep free from entangling alliances.

"We can not form alliances," said Mr. Wilson, "with those who are not going our way and in our might and majesty and in the certainty of our purpose we need not and should not form alliances with any nation in the world. Those who are right, those who study their conscience in determining their policies, those who hold their honor higher than their advantages do not need alliances. You need alliances when you are not true to yourself. You are weak when you are in the wrong. You are weak when you are afraid to do the right. You are weak when you doubt your course and the majesty of the nation's might asserted."

And then he exhorted the people of the nation to devote themselves "to the purpose of enabling America to live her own life, to be the justest, the most progressive, the most honorable, the most enlightened nation in the world."

When the bill to repeal was introduced, of course it met with opposition, and it was said that this opposition was a signal for a "revolt against Mr. Wilson's leadership." The nation had been warned many times before that "a revolt" was at hand. However, the leaders in the Senate and the House kept the organization together, although hostile editors declared that the President had "driven his party into hopeless dissension" and "the Democratic solid front that put through the tariff bill and the new banking law is broken and shattered."

A survey of Congress in May revealed the fact that the passage of the Repeal Bill was after all a foregone conclusion. A safe majority could be counted on in both Houses, and on June 11 the Panama Toll Act was repealed. The Senators and Members, having the President's idea before them, frankly admitted they had made a mistake and as cheerfully reversed themselves. The repeal was looked upon by a host of papers as the greatest victory yet achieved by the President and one which in itself will insure his place in history. And it was declared that "the rule of justice and equality" at last applied to our international policies, and that "no pri-

vate interests,'' foreign or domestic, may capitalize this great republic enterprise (the Panama Canal) for its own special profit.''

However, the act of Congress was so unprecedented that criticism continued, until Mr. Wilson, a few days afterward, spoke these words:

''It is patriotic sometimes to regard the honor of this country in preference to its material interests. Would you rather be despised by all the nations of the world as incapable of keeping your treaty obligations or would you rather have free tolls for American ships?

''The treaty has been made a mistake, but its meaning is unmistakable. But when I have made a promise I try to keep it. The most honorable and distinguished nation in the world is the nation that can keep its promises to its own hurt.

''I want to say, parenthetically, that I do not think anybody was hurt. I am not enthusiastic for subsidies to a monopoly and nobody can get me enthusiastic on that subject. But, assuming that it was a matter of enthusiasm, I am much more enthusiastic for keeping the integrity of the United States absolutely unquestioned and unsullied.''

The President put his house in order none too soon. He had labored with success to destroy private monopoly at home and set up again the rule of right and justice in the nation. He had convinced the South American nations that the same rule would apply to all his dealings with the republics of this hemisphere. Finally, he had proved to the world that this, the greatest republic on earth, could give to mankind "the magnanimous and too novel experience" of a people guided "by an exalted justice and benevolence."

With these achievements the Old Era came to a close. The European war drew a heavy veil between the past and the future as the New Era appeared, and President Wilson faced the future with a power and a prestige that made him one of the commanding personalities of the world.

PART II

CHAPTER XIII

THE EUROPEAN WAR AND A NEW ERA

On July 4, 1914, President Wilson laid aside executive duties and on this, the nation's birthday, he stood in Independence Hall to interpret the spirit of America. In concluding his address, he said:

"To what other nation in the world can all eyes look for an instant sympathy that thrills the whole body politic when men anywhere are fighting for their rights? I do not know that there will ever be a declaration of independence and of grievances for mankind, but I believe that if any such document is ever drawn it will be drawn in the spirit of the American Declaration of Independence, and that America has lifted high the light which will shine unto all generations and guide the feet of mankind to the goal of justice and liberty and peace."

At that time the world, save Mexico, was at peace. Men everywhere were admitting that the causes of war

had declined, and many men of international fame were declaring that there would never be another great war. The President, therefore, had no thought of war when these words were uttered. He was only too conscious of the great struggle for human rights that had been carried on in this nation for sixteen months, when he labored earnestly to complete the program of "New Freedom" and restore the rule of right and justice in this nation.

Moreover, his foreign policy was being conducted with the single aim of convincing all nations that America's flag "is the flag not only of America but of humanity." The Panama Tolls Act had just been repealed, and the nations of the world were applauding the act. The A. B. C. Mediators were just closing their conference at Niagara Falls and the Latin-American states were rejoicing over the magnanimous conduct of the United States. The American army was still at Vera Cruz, but the President of the United States was waiting only for Huerta to resign the presidency of Mexico and for the restoration of constitutional government in that war distressed country.

At no time in the history of this country had this nation stood so well among the nations of the earth as on this birthday and never had it lifted so high "the light which will shine unto all generations and guide the feet of mankind to the goal of justice and liberty and peace."

Then suddenly, July 28, 1914, Austria declared war

on Servia and the great European war broke upon the world. Within less than thirty days after the celebration referred to above everything was changed. Almost in the twinkling of an eye, nations were transformed, old standards of right and wrong were swept away, governmental policies became obsolete, and a new era had begun.

The shock of war was so great and the human mind was wrenched so violently away from the past that the first eighteen months of President Wilson's administration seem more like Ancient History than the proceedings of three years ago. Who remembers now the summer of 1913 when he routed the lobbyists and was hailed the leader of the Democratic Party? Who recalls the terror that struck the business men when the currency laws were debated and captains of finance were summoned to Washington to give assistance to long needed reforms? Who is mindful of the panicky condition of the country eighteen months ago when it was announced that the long struggle between government and monopoly had at last begun? It all reads like chapters recovered from a forgotten past. And yet the legislation of that period was the most far-reaching of any since the days of Andrew Jackson.

But what did a great war, three thousand miles away, have to do with America? How did it make statesmen forget old issues? How did it turn political currents into new channels and make new issues that were unthought of before the war?

In the first place a vast commerce of some $2,000,000,000 a year was suddenly either demolished or dislocated. The day after England declared war on Germany traffic between America and Europe was paralyzed. Merchantmen were impressed into military service; freight and passenger vessels were afraid to leave the ports; and millions of tons of merchandise were being piled up in American ports with no foreign market in sight. The Southern States were prostrated by the slump in the cotton market. The stock exchanges closed their doors. Trade depression threw an army of working men out of employment, and the falling off in the fiscal revenue was so great that the Government was driven temporarily to impose a number of direct taxes on the people. Thus the economic safety of this nation was threatened.

Moreover, nearly thirty million American citizens claimed close kinship with the belligerents on the other side of the continent and the conflict had for them something of the character of "a civil war by proxy." Perhaps in no other country were the right and wrong of the war more passionately debated. As the great battles raged in Europe, millions of American citizens seemed to forget everything save their blood relatives in the trenches. The meager news from Europe told them that the old homesteads back in the lands of their fathers, the accumulated earnings, the heirlooms and even the tombs of their ancestors were being sacrificed to the god of

war. Gray-haired fathers and mothers of American citizens were driven from their homes like so many cattle, and even from the land of their birth. Great industries were swept off the map, and brothers and sisters became wanderers without food or shelter. Then from the trenches came heart-rending stories of carnage in which so many kinsmen were slaughtered that the god of war had rivers of blood in which to slake the world's militaristic thirst for gore. And three thousand miles from these dreadful battlefields—here among a free people—thirty million kinsmen looked daily into the eyes of men and women whose blood relatives in Europe were slaughtering their relatives, and preserving neutrality in America became the most important problem of the hour.

The United States was the only great neutral nation left to help bring order out of chaos and the responsibility of this unique position was emphasized strongly at the beginning of the war. This nation occupied "a sort of provisional judgment seat" and the warring nations appealed to it for sympathy and moral support and waited eagerly for verdicts of guilt or acquittal. There was almost a scramble among the combatants to win America's approval or good-will. Behind this competition to gain the ear of the United States there was, says a contemporary writer, a two-fold purpose: "First, that decent respect for contemporary opinion which is making it more and more impossible for any nation to go to war without at least an attempt to show that its cause is

just; and second, a consciousness that, while American neutrality was accepted in all lands as a static factor, American resources and benevolence and diplomacy might have no small influence in the course of the war and the views of peace."

Therefore, America was called upon to maintain a just neutrality at any cost save that of honor in order to hold the mad half of the world to some ethical standard and to compose the differences between the warring nations when the accumulated fighting strength of the world had spent its energies.

These extraordinary conditions were giving birth to new issues more perplexing than any that had confronted the nation since the Revolutionary War. How to maintain neutrality, how to hold the world to some standard, how to mobilize our national resources, how to keep the lines of trade open, how to maintain honor and convince the American people that national honor has been maintained, these are the new issues that arose immediately.

In order, therefore, to approach these new problems with courage and intelligence, President Wilson with a calmness that was steadying to the nation reminded the American people that the supreme duty of the hour was to place America first in their thoughts. And "America First" became the watchword of the administration and served to anchor the American spirit and keep men sane.

CHAPTER XIV

AMERICA FIRST

The shock was so sudden that no one had attempted to think through the possibilities of such a conflict. But now that it had burst upon the world, men everywhere were half dazed when the catastrophe that had been declared impossible was indeed a reality. In this great crisis all eyes were turned to the chief executive of the nation. What would he do—what could he do—to give America the right direction?

The nations of Europe had decided what they would do; and their decision gave America a demoralization of business, with stock exchanges closed, railroads helpless, markets congested, factories shut down and labor unemployed. It gave "civil war by proxy,"—citizens arrayed against citizens, mobs in the streets, and a panicky condition that affected men's reason. Moreover, it turned the current of government from old accustomed channels into strange and untried areas. In the midst of this sudden confusion, even before America could think, every nation of Europe turned quickly to this country for help and sympathy and consolation, and added to the con-

fusion by attempting to place its interest first in the hearts of American citizens. What, then, was the first duty of Americans?

It is very apparent now that the supreme duty of the hour was for America to find herself first. And while the passions of men were stirred by the events on the other side of the globe and their hearts were filled with despair over the demoralization at home, President Wilson exhibited sagacity, resolution, and patience which has rarely been equaled. His first act was to remind the people of this nation that their first thoughts should be for America, and "America First" became a shibboleth with which to unify the patriotism of this nation.

On the day before England declared war against Germany he called the newspaper correspondents together and urged them to be careful and "not to give currency to any unverified news, to anything that would tend to create or add to the excitement." And then he added, "I think you will agree that we must all at the present moment act together as Americans in seeing that America does not suffer any unnecessary distress from what is going on in the world at large."

This appeal was coupled with an assurance that the financial situation throughout the country was sound, that bankers and business men were already thinking of America first and were cooperating "with the government with a zeal, intelligence, and spirit which make the outcome secure." He appealed to the American people

to aid the Administration in preserving the soundness of this nation, for this country, he said, "owes it to mankind to remain in such a position and in such a state of mind that she can help the rest of the world."

In this appeal to the American people he pointed out the direction that this nation must take—Act together as Americans, not as foreigners, so that America shall not suffer. Then she will be in a state of mind to help the rest of the world.

At the outbreak of the war President Wilson offered to act in the interest of European peace, either then or at any other suitable time. This was a formal act in accordance with a provision of the Hague Convention of 1907, which states that it is expedient and desirable that "strangers" to the dispute should on their own initiative and as far as circumstances may allow offer their good offices or mediation to the states at variance. But the old world was mad, mediation was then impossible, and the President had but one course before him—to protect America by keeping it neutral.

It is no wonder, therefore, that in this terrible ordeal he exalted the interest of America above all sympathies for the warring nations and proclaimed that this nation should, if possible, be neutral. The very safety of business, the solidarity of our citizenship, and the power to aid the warring nations in bringing this dreadful war to a close depended upon this nation's remaining neutral. Therefore he issued a solemn appeal to the American

people—reminding them again of the dangers that might arise from partisan strife. He said:

"My Fellow Countrymen:

"I suppose that every thoughtful man in America has asked himself, during these last troubled weeks, what influence the European war may exert upon the United States, and I take the liberty of addressing a few words to you in order to point out that it is entirely within our own choice what its effects upon us will be and to urge very earnestly upon you the sort of speech and conduct which will best safeguard the nation against distress and danger.

"The effect of the war upon the United States will depend upon what American citizens say and do. Every man who really loves America will act and speak in the true spirit of neutrality, which is the spirit of impartiality and fairness and friendliness to all concerned. The spirit of the nation in this critical matter will be determined largely by what individuals and society and those gathered in public meetings do and say, upon what newspapers and magazines contain, upon what ministers utter in their pulpits,

and men proclaim as their opinions on the street.

"The people of the United States are drawn from many nations, and chiefly from the nations now at war. It is natural and inevitable that there should be the utmost variety of sympathy and desire among them with regard to the issues and circumstances of the conflict. Some will wish one nation, others another, to succeed in the momentous struggle. It will be easy to excite passion and difficult to allay it. Those responsible for exciting it will assume a heavy responsibility, responsibility for no less a thing than that the people of the United States, whose love of their country and whose loyalty to their government should unite them as Americans all, bound in honor and affection to think first of her and her interests, may be divided in camps of hostile opinion, hot against each other, involved in the war itself in impulse and opinion if not in action.

"Such divisions among us would be fatal to our peace of mind and might seriously stand in the way of the proper performance of our duty as the one great nation at peace, the one people holding itself ready to play a part of impartial

mediation and speak the counsels of peace and accommodation, not as a partisan, but as a friend.

"I venture, therefore, my fellow countrymen, to speak a solemn word of warning to you against that deepest, most subtle, most essential breach of neutrality which may spring out of partisanship, out of passionately taking sides. The United States must be neutral in fact as well as in name during these days that are to try men's souls. We must be impartial in thought as well as in action, must put a curb upon our sentiments as well as upon every transaction that might be construed as a preference of one party of the struggle before another.

"My thought is of America. I am speaking, I feel sure, the earnest wish and purpose of every thoughtful American that this great country of ours, which is, of course, the first in our thoughts and in our hearts, should show herself in this time of peculiar trial a nation fit beyond others to exhibit the fine poise of undisturbed judgment, the dignity of self-control, the efficiency of dispassionate action; a nation that neither sits in judgment upon others nor is disturbed in her own counsels, and that keeps herself fit and free

to do what is honest and disinterested and truly serviceable for the peace of the world.

"Shall we not resolve to put upon ourselves the restraints which will bring to our people the happiness and the great and lasting influence for peace we covet for them?"

There were many obstacles, however, in the way of preserving neutrality.

The composite character of the people of the United States was sufficient warrant for his determination to maintain neutrality. But since no great nation can live to itself if it would, its neutrality is not determined solely by its own choice in the matter. And such a pressure was brought to bear on this nation from the combatants in Europe that maintaining neutrality was the hardest task that has confronted any president since the war of 1812.

Nor was Mr. Wilson free of other perplexities when this great burden was laid upon his shoulders. The Anti-trust Bills were still before the Senate, the new banking laws were not fully in operation and the Mexican problem was still in an acute state. All these unsettled issues made the task of preserving neutrality even more difficult.

The first obstacle to neutrality, therefore, was the appeal to this nation to throw its sympathies with one

or the other of the warring forces. It reached its climax when America was called upon to sit in judgment on the act of Germany in declaring war against Belgium in violation of a written agreement among the European powers to preserve the neutrality of that nation. The United States was not a party to that agreement, but the Allies, including Belgium, sent representatives to this country to convince this nation that, in the interest of humanity, it was the duty of the American government, the greatest of neutral nations, to act vigorously in the matter since another neutral nation had been outraged. Germany sent representatives also to justify her act and to appeal to the judgment seat of the American people for vindication. More than thirty million people lined up on the issue, and neutrality of feeling was impossible.

President Wilson, however, held steadfastly to his settled conviction that this nation must remain neutral. In the midst of charges and counter charges, denials and defenses, he held that the truth or falsity of conflicting evidence must be measured by the standard of international law and justice.

"The guilty will then inevitably incur the odium of the civilized world and those falsely charged will be vindicated. It is this future judgment of enlightened nations which today must restrain the warring powers from inhuman practices, rather than condemnation by neutral

powers for charges made in the heat of conflict and based upon incomplete knowledge of all the circumstances. The interest of humanity, therefore, could be best served by America's remaining neutral."

It was urged again that America should protest because of the violation of the rules of war which were laid down in the Hague Conventions and because of the disregard of the rules of humane warfare recognized by international usage and treaty stipulations. So urgent were the demands from the belligerents that American citizens took sides on the question and the "civil war by proxy" was a menace even to the stability of this nation.

President Wilson, however, remained firm. His own convictions as to the right policy to pursue were in complete accord with the historic foreign policy of this nation, followed in the main by every president from Washington to Roosevelt. In 1907 the delegates to the Hague Conference appointed by President Roosevelt recorded anew the policy of this nation in international disputes, and the American policy respecting European politics outlined by the delegates at that Conference and ratified by the American government is stated in part as follows:

"Nothing contained in this convention shall be so construed as to require the United States of America to depart from its traditional policy of not intruding upon,

interfering with, or entangling itself in the political questions of policy or internal administration of any foreign state."

The purpose of this clause was to safeguard the Monroe Doctrine, a history of which appears in a previous chapter. And owing to this clause, which was ratified by the American government during President Roosevelt's administration, the United States was virtually debarred from forming an alliance with the other neutral powers to enforce obedience to treaties to which the United States was not a party.

Few thoughtful Americans acted at the time as if this nation should interfere with the acts of combatants in the European war, although Germany had declared war on Belgium. This latter nation wished to remain neutral but circumstances made it impossible for it to remain so, and, at the time when European agents were at work in this country, Belgium was no longer neutral but one of the most heroic belligerents of the war. However, two years after the invasion Mr. Wilson's opponents look back with something akin to despair because of the continued struggle and blame him for permitting it to last so long, and one way, they argue, the President could have stopped the war was to have protested when Germany violated the neutrality of Belgium.

The nations had been at war only a short time when it became only too apparent that international law was not as strong as the original instinctive law of self-preserva-

tion. In Europe the neutrality of small nations was disregarded. But America was virtually stopped from interfering because of the agreement at the Hague Convention. However, a great reason for not interfering where an obligation was wanting, to say nothing of presumption, was the second obstacle to neutrality. The rights of neutral nations on the high seas were violated and America was the only powerful nation left to defend them.

This world shocking war was conducted on a plane hitherto unknown and when this nation raised its first protest against the belligerents for restricting the rights of neutrals on the high seas, it was contended in Europe that existing modes of warfare made possible by the invention of new weapons of offense, such as the submarine, the automobile, contact mines, the aeroplane, and many deadly explosives, not only justified unprecedented measures against an enemy but substantially impaired the rights of neutral ships to enjoy the freedom of the seas. "A nation could not be expected to consent to its own destruction," was Germany's excuse for violating the neutrality of Belgium. "A nation cannot be expected to commit suicide," was England's excuse for disregarding the rights of neutrals on the high seas, and later for violating the territorial rights of Greece.

The great war seemed to abrogate all former international rules concerning trade except such as were of distinct advantage to the nation making the interpreta-

tion. The interest of each warring nation was judged to be too great to be subservient to former international law. As the war progressed, however, President Wilson very solemnly reminded the belligerents that they must not ignore "those bonds of right and principles which draw the nations together and hold the community of the world to some standard."

Mr. Wilson foresaw the dangers to neutral trade at the beginning of the war, and five days after the outbreak our State Department suggested to the Allies and the Central Powers that they should "agree that the laws of naval warfare, as laid down by the Declaration of London of 1909, shall be applicable to naval warfare during the present conflict in Europe."

These laws of naval warfare were formed by a Conference, called by the Government of Great Britain, which met in its capital and they were accepted at the time by Great Britain, Germany, the United States and other maritime powers. On August 22, 1914, the Imperial German Government replied that it was ready to apply the Declaration of London as it was drawn. But the Government of Great Britain answered that it was willing to abide by the Declaration "subject to certain modifications and additions." Great Britain, therefore, proposed to change the laws after the war began, that had been agreed upon by maritime countries before the war. This act nullified the existing laws of nations concerning maritime warfare. And the great war was being

conducted without any rule to guide either neutrals or belligerents.

Germany and England began simultaneously to sow contact mines as a means of defense against warships far outside the three-mile limit. This, of course, was justified on the grounds that the modern guns had a much longer range than three miles, and this violation of an old international rule was justified by both belligerents on the grounds of self-preservation. Owing to the danger exposed, on account of these mines, the military areas were made to exceed anything heretofore included in international agreements. The British Admiralty announced (November 2, 1914) that the "whole of the North Sea must be considered a military area" and merchant ships were warned of danger from mines and warships.

Moreover, England refused to accept the list of contraband articles as set forth in the Declaration of London in 1909, consisting of eleven groups of articles. But by the Order in Council issued October 29, 1914, the list was more than doubled. A large number of articles which never had been considered in the light of contraband was added to the list. Great Britain's answer to the heated protests from exporters and importers of neutral nations was that military necessities have changed with the advance in industry.

It was to be expected that trade between the United States and Germany would close with the declaration of

hostilities. Moreover, it was a foregone conclusion that England as mistress of the seas would place restrictions upon commerce with neutral Europe, and that the United States, the only high power neutral, would be called upon to play an important rôle in protecting the rights of neutrals on the high seas.

At the outbreak of the war, England did not declare a formal blockade of German ports, and the cause is obvious. The British fleet was unable to control the Baltic Sea. However, under the famous Order in Council, October, 1914, a blockade was really begun, and a systematic attempt was made to prevent any goods whatever from reaching Germany from the outside world, and equally to prevent any German goods from going to the outside world. It was impossible for Great Britain to prohibit commerce between Holland and Germany, between the Scandinavian countries and Germany, or between Italy and Austria. Therefore, in order to cut off trade that might land at one of the neutral ports and thence proceed to Germany, Great Britain under the larger interpretation of international law claimed the right to prevent all commerce with Germany through neutral ports. The principle of "continuous voyage" and of "ultimate destination" was applied. But if accepted by the nations, it rendered the cargo, the ultimate destination of which was unknown, liable to seizure at any point on its way.

International law does not prohibit trade between neu-

trals and belligerents. Even the most hard pressed country engaged in war does not ask for such a drastic law as that. But it is one of the rules of war for one belligerent nation to prohibit so far as possible all trade between its antagonist and neutral nations. The whole right to establish a blockade rests on this principle, but how far that right extends is an unsettled question and was the cause of many diplomatic notes between the United States and Great Britain.

England's conduct in seizing and searching American vessels on the high seas was justified in that she was acting in accordance with the doctrine of "continuous voyage," a doctrine upheld by the United States during the Civil War. But it was argued in America that England's policy is an "extension" of that doctrine and is a direct contradiction of the interpretation of the doctrine made by the United States Supreme Court. The whole matter was as puzzling as it could be. Diplomats, experts, and international lawyers found it hard to get the matter straight in their own minds. It is no wonder, therefore, that the American people have not found the way to apportion the right and the wrong with unerring judgment.

Every vessel from American ports to Europe was scrutinized by the English navy very carefully and very often American vessels were seized and searched. The Administration protested vigorously against the British policy of seizing vessels containing American cargoes,

declaring "that the United States considers it best to speak in terms of frankness, lest silence be construed as an acquiescence."

England's reply was hopeful, since it assured the United States that "we shall endeavor to keep our action within the limits of this principle—that a belligerent in dealing with trade between neutrals should not interfere unless such interference is necessary to protect the belligerent's national safety and that only to the extent to which this is necessary—on the understanding that it admits our right to interfere when such interference is not with *bona fide* trade between the United States and another neutral country, but with trade in contraband destined for the enemy's country, and we are ready whenever our action may unintentionally exceed this principle, to make redress!"

This seemed to be fair enough. But in the midst of these perplexities England made her own interpretations; and, as a result, a large number of American ships carrying American cargoes and bound for neutral ports were seized by the British under their definition of an extended blockade. In some instances these ships were finally released; but the cargoes of others were appropriated; and in most instances American shippers were harassed by the delay and expense in which they were involved. Perhaps the most exasperating phase of Great Britain's conduct was in the seizure and search of mail matter.

The conduct of Great Britain, and the unsatisfactory outcome of this correspondence, was exasperating to many American citizens, who wished to see American commerce unhampered and this country to establish her own principle in lieu of that of either belligerent nation. Being exasperated almost to the fighting point certain members of Congress wished to see America declare an embargo on all ships destined for English ports in order to punish England for her seizure of American vessels.

In the midst of this bitter controversy, Germany startled this nation, as well as all neutral nations, by declaring a war zone around the British Isles. This was Germany's answer to England's attempted blockade and the extension of the list of contraband articles. The following war zone decree was issued on February 4, 1915:

"The waters around Great Britain and Ireland, including the whole English Channel, are declared a war zone from and after February 18, 1915," and "every enemy's merchant vessel found in this war zone will be destroyed, even if it is impossible to avert dangers which threaten the crew and passengers." It declared, furthermore, that "neutral ships in the war zone are in danger as in consequence of the misuse of neutral flags ordered by the British Government on January 31, and in view of the hazards of naval warfare, it cannot always be avoided that attacks meant for enemies' ships endanger

neutral ships." The danger zone was further laid off as follows: "Shipping northward, around the Shetland Islands, in the eastern basin of the North Sea, and in a strip of at least thirty nautical miles in breadth along the Dutch Coast, is endangered in the same way."

England had virtually closed the North Sea to neutral vessels. Now Germany was declaring her purpose to close the waters around the British Isles to neutral vessels. Thus, the two nations proposed in their desperate attempts to throttle each other, to close all the leading trade routes to European ports, regardless of whether the countries were at war or not. England reserved the right to capture neutral vessels. But Germany went a step further, and proposed to destroy such vessels without safeguarding the passengers that might be on board.

Germany's action was vastly more significant to the United States than England's because it applied to the waters surrounding the British Isles, those most frequented by American vessels. When the German decree reached this country it was declared to be "extraordinary and unprecedented." And millions of anti-German partisans sent up a noise that still vibrates.

If the English captured American vessels, the value of the loss to American ship owners might be computed and returned, and no lives would be endangered. But if Germany sank American vessels, American lives might be lost for which no adequate compensation

could be made. Therefore, the German declaration was distinctly more threatening than the English and the United States at once protested vigorously. The first note on the submarine question was carefully prepared by Mr. Wilson and his cabinet and sent by Mr. Bryan, Secretary of State. The illegality of the submarine warfare was discussed and Germany was finally warned that if the commanders of German vessels of war "should destroy on the high seas an American vessel or the lives of American citizens, the United States would be constrained to hold the Imperial Government of Germany to a strict accountability for such acts of their naval authorities."

Germany would readily agree with the United States that to destroy "on the high seas" an American vessel would be a *casus belli.* But Germany did not admit that the war zone laid off by that Government was "on the high seas" any more than England's war zone was "on the high seas." Therefore, in reply to the American note Germany answered that neutral vessels which "entered these closed waters, will themselves bear the responsibility for any unfortunate accidents that may occur."

What could this government do under these circumstances? Fight both Germany and England?

It was quite evident, according to all rules of international law heretofore observed, that both the allies and the central powers were violating the rights of

neutrals. This government protested strongly, and the replies from both Germany and England were conciliatory. Both agreed to make indemnities for American losses. But, it was pointed out, this was an unusual war. The aggregate fighting powers of mankind, the machinery of war, and the skill in using it had grown immensely, and the existing modes of warfare made possible by the new weapons of offense created new issues not specified in the old rules of international law. Therefore, in the absence of precedent each nation made its own rule, and the neutral countries were warned. Neutral nations had one of two courses to pursue: to keep its vessels and citizens out of this war zone and out of European trade, or protest and, perhaps, go to war. The American people were so stirred by the extraordinary conditions that a host of citizens acted as though they wanted this country to protest and, if necessary, go to war. But they were unable to reach a decision as to which side we should battle with. In the meantime this government sought to reach some understanding between the mad belligerents, while England was trying to make effective her blockade, and Germany was inaugurating her submarine warfare.

This nation did not have to wait long for results. In accordance with the published decree, the German submarine warfare began on time, and on February 20 an American cotton ship, the *Evelyn,* was sunk in the North Sea. Three days later another cotton carrier, the

Carib, was sunk, and at the end of the first week, even before any protest from this nation could be considered, the German submarine warfare was playing havoc with English shipping, and neutral vessels within the war zone suffered heavily.

This submarine warfare threatened so much disaster that the allies retaliated, and on March 1, France and Great Britain ordered an extended blockade. The purpose was to "prevent commodities of any kind from reaching German ports," whether they were directed to German ports, or were suspected or being bound for Germany although directed to neutral ports! This, if accepted by the United States, gave England the right to seize and search any vessel bound for any European port. And this act was also considered in America as "unprecedented and extraordinary."

The Austro-German-Americans and their sympathizers were hardly through expressing their indignation against England's policy and particularly against the President for not interfering vigorously, when the news arrived that a German submarine had sunk the British passenger steamer *Falaba,* destroying more than a hundred unoffending lives and among them one American citizen. This was the occasion for English and Canadian Americans and their sympathizers to exhibit countenances of horror and hurl maledictions against everything German. Such outcries were now occurring daily in the United States, not in Europe, and as the stories of insults and

injuries and rights violated were trailed through the partisan press, the divided sympathies in America reached such a state of excitement and antagonism that the larger interests of the American nation were obscured.

President Wilson warned the people against these agitators who were trying hard "to rock the boat." And later, on April 20, in an address to the Associated Press of New York, he took the occasion at a most critical time to remind the people of the United States once more that our whole duty for the present is to place "America First" and to think of her position in the world. So many people were thinking of Europe and the war that there was danger of America's safety following the thought of the people and falling into the hands of the belligerents.

"I want to talk to you as to my fellow citizens of the United States," he said. "For there are serious things, which as fellow citizens we ought to consider. The times behind us, gentlemen, have been difficult, because whatever may be said about the present condition of the world's affairs, it is clear that they are drawing rapidly to a climax, and at the climax the test will come, not only of the nations engaged in the present colossal struggle—it will come for them, of course—but the test will come to us particularly."

He then emphasized more forcibly than ever before the important position that this nation holds in the world today. The American people were living from moment to moment. They were enraged first at the conduct of England in seizing our vessels, and then at the acts of Germany in sinking our merchantmen. The President, however, was looking forward to a time when this nation, because of its neutral position, would be called upon to help bring order out of chaos, and thus lead the world back to paths of peace and honor.

"We shall some day have to assist in reconstructing the processes of peace," he continued. "Our resources are untouched. We are more and more becoming, by the force of circumstances, the mediating nation of the world in respect of its finances. We must make up our minds what are the best things to do and what are the best ways to do them. We must put our money, our energy, our enthusiasm, our sympathy into these things, and we must have our judgments prepared and our spirits chastened against the coming of that day. So that I am not speaking in a selfish spirit when I say that our whole duty for the present, at any rate, is summed up in this motto, 'America first.' Let us think of America before we think of Europe, in order that America

may be fit to be Europe's friend when the day of tested friendship comes. The test of friendship is not now sympathy with the one side or the other, but getting ready to help both sides when the struggle is over."

Since the beginning of the war, this had been the President's theme, that America should be ready "to help both sides when the struggle is over." The belligerent nations seemed to realize from the first that if America remained neutral she would have a commanding position when the war closed. But the American people apparently did not realize it at all, judging from the clamor in this country against the combatants. And the President seemed to be determined to make them see, if possible, the supreme advantage to themselves and to the world in remaining neutral, notwithstanding the fact that American commerce was suffering on the other side of the globe.

"The basis of neutrality," he spoke with renewed emphasis, "is not independence; it is not self-interest. The basis of neutrality is sympathy for mankind. It is fairness; it is good will at bottom. It is impartiality of spirit and judgment. I wish that all of our fellow citizens could realize that. There is in some quarters a dis-

position to create distempers in the body politic. Men are even uttering slanders against the United States, as if to excite her. Men are saying that if we should go to war upon either side, there will be a divided America—an abominable libel of ignorance! America is not all of it vocal just now. It is vocal in spots. But I, for one, have a complete and abiding faith in that great silent body of Americans who are not standing up and shouting and expressing their opinions just now, but are waiting to find out and support the duty of America. I am just as sure of their solidity and of their loyalty and of their unanimity as I am that the history of this country has at every crisis and turning point illustrated this great lesson."

Mr. Wilson then undertook to explain to the American people why it is that this nation is a mediating nation. With their minds always centered on outrages against this nation, the vocal part of the American people seemed to understand least of all the President's viewpoint, and again he was emphatic.

"We are the mediating nation of the world," he said. "I do not mean that we should undertake not to mind our own business and to mediate

where other people are quarreling. I mean the word in a broader sense. We are compounded of the nations of the world. We mediate their blood, we mediate their traditions, we mediate their sentiments, their tastes, their passions; we are ourselves compounded of those things. We are, therefore, able to understand all nations; we are able to understand them in the compound, not separately as partisans, but unitedly, as knowing and comprehending and embodying them all. It is in that sense that I mean that America is a mediating nation. The opinion of America, the action of America, is ready to turn and free to turn in any direction.

"Did you ever reflect upon how almost all other nations, almost every other nation, has, through long centuries, been headed in one direction? That is not true of the United States. The United States has no racial momentum. It has no history back of it which makes it run all its energies and all its ambitions in one particular direction; and America is particularly free in this, that she has no hampering ambitions as a world power. If we have been obliged by circumstances, or have considered ourselves to be obliged by circumstances, in the past to take ter-

ritory which we otherwise would not have thought of taking, I believe that I am right in saying that we have considered it our duty to administer that territory, not for ourselves, but for the people living in it, and to put this burden upon our consciences, not to think that this thing is ours for our use, but to regard ourselves as trustees of the great business for those to whom it really does belong, trustees ready to hand it over to the *cestui que* trust at any time, when the business seems to make that possible and feasible."

Realizing that the nation, or a large part of it, was in a fighting mood he insisted that his "interest in the neutrality of the United States is not the petty desire to keep out of trouble," but that if any man or any nation "wants a scrap, an interesting scrap that is worth while, I'm his man." This appealed to the heroic in the nation and the people applauded. Those were days that tried men's souls and the President was holding off the militaristic party with one hand and at the same time pointing to something more glorious than war.

"I am interested in neutrality," he said, "because there is something so much greater to do

than fight; because there is something, there is a distinction waiting for this nation that no nation has ever yet got."

And that distinction was to come from self-control and self-mastering. In concluding this address he warned the newspaper men against sending out sensational dispatches hastily and without sufficient regard for the truth. He intimated that some of them had already been too careless, and he pointed out the dangers that might arise at this period of unstable equilibrium by a conscienceless disregard of the truth or a morbid curiosity for the sensational.

"If I permitted myself to be a partisan in this present struggle," he concluded, "I would be unworthy to represent you. If I permitted myself to forget the people who are not partisans, I would be unworthy to represent you. I am not saying that I am worthy to represent you, but I do claim this degree of worthiness that, before everything else, I love America."

The American people paused to read this address and to discuss it. It had the effect of drawing out the heretofore non vocal part of the American people, and while the two great partisan factions were saying wild and extravagant things about England or Germany and

prophesying that this country would be plunged into war, this great silent but serious element of the nation responded to the President's temper and showed unmistakably that he was not alone in following an exalted ideal.

The country was gradually adjusting itself to the new conditions made necessary on account of the war. Business had come back with a sharp rebound. The unemployed were finding new opportunities to labor. Factories became alive night and day. Trade began to follow many of the old accustomed routes and American commerce began to seek new fields. From every section of the country the President received assurance that this country was sound and the people in the main were thinking of "America First," some from selfish motives, others from a high moral standpoint. But apparently the great majority had at last caught the direction that the President pointed out in the beginning, and they were at last holding America first not only in their affections but in their thoughts.

However, this rebound of business and this returning buoyancy of life came none too soon. The spring of 1915 opened with ominous clouds far above the horizon. England, the mistress of the seas, was making it less and less possible for trading vessels of neutral nations to enter European ports. Germany, finding in these acts an excuse to retaliate, began a submarine warfare that threatened every crew, passenger, cargo, and vessel

that entered the waters adjacent to Europe, and America passed from the period of proclaimed neutrality to that of defending that neutrality, and holding the nations of Europe to some ethical standard.

In the attempt, therefore, to keep America first in the minds of the citizens of this nation and to hold the nations of Europe to some ethical standard, new issues were born or became prominent that eclipsed all former issues and set this nation forward on a new journey.

In his attempts to guide the nation in this new journey, Mr. Wilson kept the watchword, "America First," always before the people. When certain hyphenated American citizens seemed for the time to be losing their loyalty, he sent a challenge to "every man and woman who thinks first of America to rally to the standards of our life;" and groups of foreign born citizens formed patriotic societies and pledged their loyalty anew to America. And when it appeared that all patience had been exhausted and that America would break with Germany, "America First" was the talisman that calmed the emotions and gave the heart courage.

CHAPTER XV

HOLDING THE WORLD TO SOME STANDARD

The American government contended from the first for the rights of all neutrals and sought a common understanding between the allies and the central powers. The effort, however, to hold the world to some ethical standard was apparently ineffective. The slow but calculating Englishman, with disregard for previous rules of conduct, continued to widen the war zone, to increase the number of contraband articles, and to capture American vessels. The infuriated German, going the Englishman one better, marked off another war zone, called it a closed sea, and showed a determination "to exact the utmost quantity of destruction and killing from the allies, no matter what happened to innocent subjects of the allies, and no matter what absolutely innocent neutrals suffered."

It was not until America "had its own list of outrages" that this government undertook with any convincing power to bring the warring nations to some ethical standard. These outrages had already begun in April when the President, in speaking to the Press Association, declared that if any nation "wants a scrap,

an interesting scrap that is worth while, I'm his man.'' Within less than a week from that day the American Oil Tank Steamer *Cushing* was damaged by a mine or submarine, later (May 1) the Steamer *Gulflight,* another American vessel, was sunk off the Scilly Islands, with a loss of three lives. But on May 7 the greatest tragedy of the war occurred. The great transatlantic liner, the *Lusitania,* bound from New York to Liverpool, carrying an enormous quantity of war material and having a passenger list of 2,104 men, women, and children, including 187 Americans, was sunk by a German submarine, and about 1,500 passengers were lost, including over a hundred Americans.

It really appeared at the time that one nation, at least, was looking ''for a scrap'' with this country. And these tragedies, culminating in the sinking of the *Lusitania,* aroused the war spirit in this country almost beyond the control of the few cool heads who were endeavoring to keep the government steady in the great crisis.

The American people at once indicted the whole German nation for the willful, brutal murder of innocent men, women, and children. The English nation was already convicted of forcible trespass; but, before the bar of public opinion, the trial for murder superseded all other cases on the docket, the verdict was announced simultaneously with the drawing of the indictment and summary punishment was demanded. But since the

executioner was the President of the United States, there was a stay of judgment while the partisans raged and the people imagined vain things.

This nation became so excited that the press of the country, with some notable exceptions, was clamoring for war with Germany. Many went so far as to say that the act of sinking the *Lusitania* was deliberately framed and executed by Germany to draw the United States into war, since that nation, already hard pressed by the allies and seeing the end, was seeking an excuse for suing for peace. Subsequent events have proven how little these prophets knew. However, many of them published newspapers and furnished the material from which even millions of American citizens made up their opinions. It was natural, therefore, for the public, having accepted the above statement, to go a step farther and reach the conclusion that the President's attitude had been wrong all the time, since he could have ended the slaughter and coaxed back to earth the beautiful dove of peace, if he had declared war, or made a noise like war, when the neutrality of Belgium was violated. His critics even went so far as to say that if he had gone down into Mexico with a big army, he would have so impressed Europe that even the European war might have been averted.

The voice was so loud for immediate war with Germany that even the thoughtful conservatives became

uneasy. In the midst of it all, however, President Wilson kept his head, while the storm raged furiously about him.

Three days after this great tragedy, President Wilson without having indicated to the public what his first act would be, journeyed to Philadelphia to address a large body of foreign-born citizens who were completing their probationary term and becoming naturalized. Those who accompanied him on that journey saw that the President of the United States was aware of the fact that he was facing the greatest crisis of his administration, and that the future of this nation would be affected greatly by the course that he chose to follow.

The Philadelphia speech contained no word to indicate that anything unusual had happened or would happen. It was a well conceived address suitable to the occasion, but containing nothing of special interest to the nation at that time save in one paragraph:

"America," he said, "must have the consciousness that on all sides it touches elbows and touches heart with all the nations of mankind. The example of America must be a special example, and must be an example not merely of peace, because it will not fight, but because peace is a healing and elevating influence of the world,

and strife is not. There is such a thing as a man being too proud to fight. There is such a thing as a nation being so right that it does not need to convince others by force that it is right."

It was the last two sentences especially that attracted attention. The entire address and the occasion have all been forgotten by the public, but these two sentences are still quoted by controversialists who seek to prove or disprove the wisdom of his foreign policy. These sentences were caught up and ridiculed. "Too proud to fight!" And Germany slapping this nation in the face! "There is such a thing as a nation being so right that it does not need to convince others by force that it is right!" And the whole world sneering at us in our humiliation!

In all the tremendous excitement following this tragedy and the ridicule that was heaped upon these sentences, the President maintained his poise, but decided to make no more speeches for the present. Still the people waited for some sign as to what course this nation would take.

Three days after the Philadelphia speech, and six days after the tragedy, the President, by the aid of his cabinet, had prepared a note to be sent to Germany. The American people were straining every nerve to guess its contents. What words would be adequate to the offense? What could Germany do to avert war with

this nation? Then the world was advised that the note had been sent.

In a calm and dignified way the President reviewed the effect of the submarine warfare on American lives and American interests. The *Falaba,* the *Cushing,* the *Gulflight,* and finally the torpedoing and sinking of the steamship *Lusitania* "constitute a series of events," the note declared, "which the Government of the United States has observed with growing concern, distress, and amazement. . . . It cannot now believe that these acts, so contrary to the rule, the policies, and the spirit of modern warfare, could have the countenance or sanction of that great Government. . . ." The note then renewed the excuse offered by Germany at the beginning of the submarine warfare for resorting to this mode of defense.

"The Government of the United States," the note continued, "has been apprised that the Imperial German Government considered themselves to be obliged by the extraordinary circumstances of the present war, and the measures adopted by their adversaries in seeking to cut Germany off from all commerce, to adopt methods of retaliation which go much beyond the ordinary methods of warfare at sea, in the proclamation of a war zone from which they have warned neutral ships

to keep away. This Government has already taken occasion to inform the Imperial Government that it cannot admit the adoption of such measures or such a warning of danger to operate as in any degree an abbreviation of the rights of American shipmasters or of American citizens bound on lawful errands as passengers on merchant ships of belligerent nationality; and that it must hold the Imperial German Government to a strict accountability for any infringement of those rights, intentional or incidental. It does not understand the Imperial German Government to question those rights. It assumes, on the contrary, that the Imperial German Government accepts, as of course, the rule that the lives of non-combatants, whether they be of neutral citizenship or citizens of one of the nations at war, cannot lawfully or rightfully be put in jeopardy by the capture or destruction of an unarmed merchantman, and recognizes also, as all other nations do, the obligation to take the usual precaution of visit and search to ascertain whether a suspected merchantman is in fact carrying contraband of war under a neutral flag."

The note then called "the attention of the Imperial German Government" to the fact that the submarine warfare could not be carried on and the rights of non-combatants be respected, since the attack must be so sudden that safety cannot be given to the passengers.

"Manifestly, submarines cannot be used against merchantmen, as the last few weeks have shown, without an inevitable violation of many sacred principles of justice and humanity."

Moreover, the rights of American citizens were clearly defined. It was declared that:

"American citizens act within their indisputable rights in taking their ships and in traveling wherever their legitimate business calls them upon the high seas, and exercise those rights in what should be the well-justified confidence that their lives will not be endangered by acts done in clear violation of universally acknowledged international obligations, and certainly in the confidence that their own government will sustain them in the exercise of their rights."

The President referred to the act of the German Ambassador at Washington in addressing, through the newspapers, the people of the United States, in which

he said, "that every citizen of the United States who exercised his right of free trade upon the seas would do so at his peril if his journey should take him within the zone of waters within which the Imperial German Navy was using submarines 'against the commerce of Great Britain and France.'" And this act was characterized as a "surprising irregularity."

He concluded the note with a strong statement of this Government's attitude:

"It confidently expects, therefore, that the Imperial German Government will disavow the acts of which the Government of the United States complains; that they will make reparation so far as reparation is possible for injuries which are without measure, and that they will take immediate steps to prevent the occurrence of anything so obviously subversive of the principles of warfare for which the Imperial German Government has in the past so wisely and so firmly contended.

"The Government and people of the United States look to the Imperial German Government for just, prompt, and enlightened action in this vital matter, with the greatest confidence, because the United States and Germany are bound together not only by special ties of friendship,

but also by the explicit stipulations of the Treaty of 1828, between the United States and the Kingdom of Prussia.

"Expressions of regret and offers of reparation in the case of the destruction of neutral ships sunk by mistake, while they may safely satisfy international obligations, if no loss of life results, cannot justify or excuse a practice, the natural and necessary effect of which is to subject neutral persons to new and immeasurable risks.

"The Imperial German Government will not expect the Government of the United States to omit any word or any act necessary to the performance of its sacred duty of maintaining the rights of the United States and its citizens and of safeguarding their free exercise and enjoyment."

The President was appealing to Germany's great traditions and to her sense of honor and of justice; he was pleading, not for the safety of American citizens alone, but for the cause of humanity, and he was endeavoring to do what war could not do; namely, exalt the rule of right which "holds the community of the world to some standard." Germany had at last been brought before the American judgment seat.

There was no evidence of ridicule anywhere when this note was published. On the contrary, people everywhere rejoiced, and Americans were proud of their President. And as one metropolitan newspaper (The New York Times) said, "Every American citizen must be willing to affix his signature in approval of the firm but temperate tone and the indisputable justice of its representations and demands."

This note seemed fully to satisfy the American public. No act since the beginning of his administration received such universal approval by all parties and all classes of people. And his policies were now in great favor. Even the Philadelphia speech was forgotten for the time.

Germany's reply, however, which came on May 29, was very unsatisfactory. It stated that Germany had no intention of "submitting neutral ships, which are guilty of no hostile acts, to attacks by a submarine." But if such ships have suffered the note declared that it was owing to mistakes in identification attributable to the British government's use of neutral flags. In regard to the *Falaba* it said: "In the case of the sinking of the English steamer *Falaba,* the commanding officers of the German submarine had the intention of allowing passengers and crew ample opportunity to save themselves." But as to the right to sink vessels in the "closed sea" marked off by Germany, the note attempted to justify the sinking of the *Lusitania* on the grounds that it was an auxiliary cruiser and a munition carrier, but it did

express "deep regret to the neutral Governments concerned that nationals of those countries lost their lives on that occasion."

This note was published to the world on May 30, and its incompleteness jarred this nation violently. It was the signal for the press of this country to break out anew. In fact, it appeared that the press of the country had joined a militaristic party to drive the nation into war; and since the public drew its information from the press, the vocal part of this country was in a great passion again. This condition led the editor of the Review of Reviews to declare that "the most sickening thing in American history, perhaps, was the reckless gloating of American newspapers over a dangerous situation that they were doing everything in their power to create."

On June 1, while the feeling was intense, Germany declared that the attack on the Steamer *Gulflight* was due "to an unfortunate accident." Moreover, it expressed regrets "to the Government of the United States concerning this incident," and declared "itself ready to furnish full compensation for the damage thereby sustained by American citizens."

This gave some encouragement to this country that Germany was yielding somewhat in her demands. However, on June 2, President Wilson held an interview with Count Von Bernstoff, the German Ambassador, and during the day the White House was deluged with telegrams from American citizens of German birth and

German societies in this country, beseeching the President not to take drastic action in the German crisis.

The situation was so critical that the President's Cabinet took a most gloomy view of the probable outcome. The Secretary of State, Mr. Bryan, one of the greatest advocates of peace in this country, fearing that this nation was drifting into war with Germany, resigned from the Cabinet. His resignation came before the reply to Germany's note was completed and his act increased the fear that the President was preparing an ultimatum that would mean war.

The reply to Germany was forwarded on June 9. But the newspapers of America did not receive it until two days later.

After reviewing the points that were concurred in by the Imperial German Government, and those that were not accepted by that nation, the Administration declared in the second note that:

"Whatever be the other facts regarding the *Lusitania,* the principal fact is that a great steamer, primarily and chiefly a conveyance for passengers, and carrying more than a thousand souls, who had no part or lot in the conduct of the war, was torpedoed and sunk without so much as a challenge or a warning, and that men, women, and children were sent to their death in circum-

stances unparalleled in modern warfare. The fact that more than 100 American citizens were among those who perished made it the duty of the Government of the United States to speak of these things, and once more, with solemn emphasis, to call the attention of the Imperial German Government to the grave responsibility which the Government of the United States conceives that it has incurred in this tragic occurrence, and to the indisputable principle upon which that responsibility rests.

"The Government of the United States is contending for something much greater than mere rights of property or privileges of commerce. It is contending for nothing less high and sacred than the rights of humanity, which every Government honors itself in respecting, and which no Government is justified in resigning on behalf of those under its care and authority. Only her actual resistance to capture, or refusal to stop when ordered to do so for the purpose of visit, would have afforded the commander of the submarine any justification for so much as putting the lives of those on board in jeopardy. This principle the Government of the United States understands the explicit instruction issued on

August 3, 1914, by the Imperial German Admiralty to its Commanders at sea to have recognized and embodied, as do the moral codes of all other nations, and upon it every traveler and seaman had a right to depend. It is upon this principle of humanity, as well as upon the law founded upon this principle, that the United States must stand."

The note expressed the desire of the Administration to act on the suggestion from Germans that the United States Government use its good offices in an attempt to find some basis for an understanding between Germany and England by which the character and conditions of war upon the sea may be changed. Then he returned to the issue between these two nations.

"The Government of the United States, therefore, very earnestly and very solemnly renews the representations of the note transmitted to the Imperial German Government on the 15th of May, and relies in these representations upon the principles of humanity, the universally recognized understandings of international law, and the ancient friendship of the German nation.

"The Government of the United States cannot admit that the proclamation of a war zone from

which neutral ships have been warned to keep away may be made to operate as in any degree an abbreviation of the rights either of the American ship masters or of American citizens bound on lawful errands as passengers on merchant ships of belligerent nationality. It does not understand the Imperial German Government to question those rights. It understands it also to accept as established beyond question the principle that the lives of non-combatants cannot lawfully or rightfully be put in jeopardy by the capture or destruction of an unresisting merchantman, and to recognize the obligation to take sufficient precaution to ascertain whether a suspected merchantman is in fact of belligerent nationality or is in fact carrying contraband of war under a neutral flag. The Government of the United States deems it reasonable to expect that the Imperial German Government will adopt the measures necessary to put these principles into practice in respect to the safeguarding of American lives and American ships, and asks for assurance that this will be done."

The nation was in ecstasies over this note and there were repeated expressions of profound gratitude to the

President of the United States for having taken a course exactly opposite to that which the newspapers, through many anxious days, had announced that he would take. And the effect in the minds of a troubled nation "was like that of a beautiful June morning after threatening skies and unverified predictions of floods and cyclones."

This note had a good effect on the German nation as well, as the reply of July 8 shows. It declared that "Germany has likewise been always tenacious of the principle that war should be conducted against the armed and organized forces of the enemy, but that the civilian population of the enemy should be spared as far as possible from the measures of war." It then expressed the hope that some way may be found "to regulate the law of maritime war in a manner guaranteeing the freedom of the seas and will welcome it with gratitude and satisfaction if it can work hand in hand with the American Government in that occasion."

After stressing the fact that it was necessary for the German Government in this fight for existence "to do all within its power to protect and save the lives of German subjects, the note declared that the Imperial Government "repeats the assurance that American ships will not be hindered in the prosecution of legitimate shipping, and the lives of American citizens on neutral vessels shall not be placed in jeopardy."

In this world shocking war, with the previous standards destroyed, the conscience of the warring

nations was at last being drawn out to recognize that, in all the confusion a law higher than their own selfish interest still lived.

Germany's reply was so conciliatory that the people of the United States were calming down. Moreover, the submarine warfare was greatly subsiding, and all parties in America were really giving the President great credit for having accomplished a supposedly impossible task—the restoration of the rights of neutrals and justice to humanity in the war zone.

However, after this note was written the *Nebraskan,* another American vessel was torpedoed. But the German Government at once notified this nation that the sinking of this vessel was "an unfortunate accident" and the German Government "expressed its regret at the occurrence . . . and declared its readiness to make compensation for the damage thereby sustained by American citizens."

The stand taken by the United States in the interests of humanity was holding the world to some standard. The judgment of enlightened public opinion was having a greater effect on the belligerents and especially Germany than any positive aid that this nation could have given the allies. On September 1, the German Ambassador gave out an official statement that "liners will not be sunk by our submarines without warning and without safety of the lives of non-combatants, provided that the liners do not try to escape or offer resistance."

However, on August 19, the *Arabic* of the White Star Line was torpedoed by a German submarine, and American lives were again destroyed. The *Arabic* was the largest of the English munition-carriers. It was only incidentally a passenger ship, and when she sailed from New York on July 28, she carried, it is said, the greatest cargo of war munitions that ever left America. Moreover, the *Arabic* had been transferred from another route for the express purpose of carrying war munitions. For months, before the sinking of the vessel, German submarines, it is said, had been trying to intercept her. And when the deed was finally done, the press of the country again came forth with their war head lines, without securing all the attending circumstances, and again the intense feeling of a large part of the people of the United States was worked into a state of frenzy because the *Arabic* case seemed to be related to the controversy over the *Lusitania.* But the President proceeded as deliberately as before.

In due time the German Ambassador notified the Administration that "the Imperial Government regrets and disavows this act, and has notified Commander Schneider accordingly." Moreover, it was declared, "under these circumstances my Government is prepared to pay an indemnity for American lives which, to its deep regret, have been lost on the *Arabic.*" As a result of the diplomatic correspondence following the sinking of the *Lusitania,* Germany finally admitted that Amer-

ican ships have a right to sail through the war zone without danger of submarine attacks, that American ships carrying conditional contraband on merchant vessels of belligerents, are not to be put in danger, and finally that neutral merchantmen of other nations "are exempt from interference except when carrying contraband."

The President's policies were at last about to triumph. Not only American merchantmen, but those of all neutral nations prospered by his leadership. The war had been in progress eighteen months, but it had settled nothing. A diplomatic contest had been waged about nine months, and the results were so far a complete victory for American diplomacy.

As the submarine disappeared from the old war zone declared by Germany, it reappeared in the Mediterranean Sea where the *Ancona* and the *Persia* were sunk. In both cases American lives were lost. This time Austria was apparently the violator, and again diplomacy won. Germany even came forward, not in response to a direct demand, but in recognition of the legal soundness of the President's position, and declared that the general principles of international law will be strictly observed for the future and if German commanders "should not have obeyed the orders given them, they will be punished," and reparation will be made if American lives are lost. Moreover, the Administration secured from Austria the promise that even "hostile private ships in

so far as they do not flee or offer resistance, may not be destroyed without the persons on board having been placed in safety," and it was gratifying to learn that, "The triumph of President Wilson's peaceful, patient, reasonable diplomacy seems to be near at hand."

This victory for neutrals was achieved by the President of the United States during the greatest war in history, without bloodshed, save of the unfortunate victims whose untimely and very tragic deaths restored the rights of humanity when all international morality seemed to be lost. And many millions of American citizens rejoiced and thanked God that this nation was following an ideal rather than the grim visaged monster whom the blood of millions could not satisfy.

The public temper is made by the act of the moment, and the public mind seems to remember only similar acts of the past. If the situation is good now, it has always been favorable; but if it is bad, times are rapidly growing worse. Therefore, the attitude of the public mind toward the President alternated between utter distrust and a heart full of gratitude. However, there were those who so hoped for war, that even a diplomatic victory brought such discontent and ravings and ridicule that the New York *Sun* was led to ask if American newspapers really want war.

"Is it possible," the Sun asks, "that there is any American newspaper or any American citizen in public or private life, now really hoping at the bottom of his

heart that the controversy with the Central Powers about American rights of trade on the high seas may reach a pass which shall make war inevitable?

"It is almost inconceivable that such should be the case; yet every time that a distinct gain is made by our State Department in its progress toward a satisfactory and honorable settlement of the whole business there are expressions here and there which give color to the idea that the gain has caused disappointment rather than joy.

"During the past sixty hours or so the progress toward a complete agreement as to the validity of all the American contentions has been notable. There is no evidence yet in hand enabling our Government to identify the assailant of the *Persia;* but practically every principle of civilized international law on which our demands are based has been admitted and accepted by Berlin, except only as to 'reprisals' in the so-called war zone of neutral waters."

On May 13, 1915, President Wilson undertook the most difficult task of his administration. In fact, the task was declared impossible, because the submarine was a new engine of warfare, and was not safeguarded by any existing rules. Many peace-loving citizens were willing to throw over international law, warn all American citizens and American vessels to avoid war areas, and stand absolutely aside. The President, however, refused to follow such advice. He very firmly insisted

on the rights of humanity regardless of new inventions or old international rules, and humanity has the Government of the United States to thank for exalting the law of right and justice above the brutal and primitive rule of might to kill innocent women and children. *The New Republic* declared that "through the agency of Mr. Wilson's much ridiculed notes, the law of visit and search has been rewritten on the wall for all the world to read and to obey. The submarine commanders must show that instead of trying to kill non-combatants, they are trying to avoid the killing." And this was accomplished without threat or bluster, but by keeping constantly before the world the one principle that right and justice are more lasting than brute force.

In referring to his efforts to maintain peace in America, Mr. Wilson, in an address at St. Louis, February 3, 1916, justified his policies and exalted American diplomacy in these words:

"We respect other nations, and absolutely respect their rights so long as they respect our rights. We do not claim anything for ourselves which they would not, under like circumstances, claim for themselves. Every statement of right that we have made is grounded upon the utterances of their own public men and their own judges. There is no dispute about the rights of

nations under the understandings of international law.

"America has drawn no fine point. America has raised no novel issue. America has merely asserted the rights of her citizens and her government, upon what is written plain on all the documents of international intercourse. Therefore, America is not selfish in claiming her rights. She is merely standing for the rights of mankind when the life of mankind is being disturbed by an unprecedented war between the greatest nations of the world.

"Some of these days we shall be able to call the statesmen of the older nations to witness that it was we who kept the quiet flame of international principle burning upon its altar while the winds of passion were sweeping away every altar in the world. Some of these days they will look back with gratification upon the steadfast allegiance of the United States to those principles of action which every man loves when his temper is not upset and his judgment is not disturbed."

During the last half of the year 1915 the British Admiralty developed considerable skill in destroying the German submarine boats. What part the armed mer-

chantmen played in this warfare is not known. However, the one obstacle left in the way of a complete agreement among the nations as to the rules governing submarine warfare, was this: Should a merchantman engaged in legitimate peaceful trade be armed? Germany contended that a merchantman's guns are now intended only for submarines. The latter are frail constructions and a single shot may render them helpless. "Yet they are expected to observe the rules of visit and search precisely as would a powerful cruiser." And the American Government was inclined to take the view that merchantmen should not be armed, although international law at the beginning of the war held to the contrary.

The allies, however, insisted on the rights accorded by international law. It was pointed out that the British Admiralty in its order of October, 1915, had declared that "armament is supplied solely for the purpose of resisting attack by an armed enemy vessel and must not be used for any other purpose whatever." It was declared, furthermore, that hostile submarines and aircrafts have frequently attacked merchant vessels without warning. But that "British and allied submarines and air crafts have orders not to approach merchant vessels. Consequently, it may be presumed that any submarine or air craft which deliberately approaches or pursues a merchant vessel does so with hostile intent. In such cases fire may be opened in self-defense in order

to prevent the hostile craft from closing to a range at which resistance to a sudden attack with bombs or torpedoes would be impossible."

This was the recognized rule adopted by the allies at the beginning of the war. And readers will remember that one of the points of controversy at the time of the sinking of the *Lusitania* had to do with the question whether or not she carried guns with which to defend herself against submarines. However, on January 18, 1916, the State Department sought to remove this main difficulty between the allies and the central powers. It asked the nations to consider a modification of this rule, since Germany had agreed to abandon her warfare against neutral vessels and to protect neutral citizens traveling on merchantmen of belligerent nations. The modification asked for was that belligerent nations "should be prohibited from carrying any armament whatever." Because "the placing of guns on merchantmen at the present date of submarine warfare can be explained only on the grounds of a purpose to render merchantmen superior in force to submarines." And the appeal to the nations was concluded with these words:

"My government is impressed with the reasonableness of the argument that a merchant vessel carrying an armament of any sort, in view of the character of submarine warfare and the de-

fensive weakness of undersea craft, should be held to be an auxiliary cruiser, and be so treated by a neutral as well as by a belligerent government, and is seriously considering instructing its officials accordingly.''

This was asking the British Admiralty to abandon its former rule. But the whole question of armed merchantmen was already as vexing as it well could be. The Secretary of State, Mr. Lansing, was earnestly seeking to relieve this tension and strain for neutrals as well as for belligerents. He argued that the conditions of maritime warfare have changed since the days of pirates and sea rovers when it was necessary to arm merchantmen.

England, however, was unyielding, although the neutral nations of Europe and even France and Italy at one time showed a disposition to accept the American viewpoint. She defended her position on the ground that the appearance of the submarine boat and the submarine warfare practiced by Germany made it as necessary now for England to arm her merchantmen as in the days of pirates and sea rovers. What assurance, it was asked, did any nation have that Germany would not soon revive her attacks on neutral merchantmen as well as merchantmen of belligerent nations? The only defense any vessel had against reckless captains was to carry sufficient armament ''to prevent the hostile craft from closing to

a range at which resistance to a sudden attack with bomb or torpedo would be impossible." The best students of the subject in all its phases, it is said, admitted that there were no rules or traditions of international law that met the conditions actually existing on the sea at that time.

In the midst of these negotiations and without waiting to see if our Government could not obtain from England and her allies the admission that the German view was reasonable and fair, Germany took a step that made further efforts to settle this perplexing question futile. In February, the German Government notified the world that, after March 1, it would regard merchant ships carrying guns as of the character of auxiliary cruisers, and that the submarine war would be directed against them as against any war vessel; that is, they were not to be warned before attack, and all passengers traveling on armed merchantmen would do so at their own peril.

Obviously, from the standpoint of submarine warfare, the armed merchantman is a warship. At the same time self-preservation demanded that merchantmen should be armed. But a new rule was now impossible. Certainly America was not empowered to make a new international rule without the agreement of all the belligerent nations.

However, Congress showed a strong disposition to accept the view that the armed merchantman was an auxiliary cruiser and a resolution was introduced in each House to warn all Americans to avoid passage

on such vessels. The President naturally opposed very vigorously this proposed act, and for the time being the Administration and Congress "locked horns with one another with such intensity of emotion as is not witnessed at Washington more than once or twice in a lifetime."

Congress was afraid of war. Not since the sinking of the *Lusitania* did Congress have such a panicky feeling. Senators and Members of the House held repeated conferences with the President. Senator Stone, chairman of the committee on Foreign Relations, after a long interview with him and after "numerous Members of the Senate and House had called to discuss this subject with me," wrote the President (Feb. 24) reviewing their former conference, and declaring that "I am more troubled than I have been for many a day." He assured the President, however, that he was "striving to prevent anything being done by any Senator or Member calculated to embarrass your diplomatic negotiations."

But, he added, "I find it difficult from my sense of duty and responsibility to consent to plunge this nation into the vortex of this world war because of the unreasonable obstinacy of any of the powers."

In reply to this letter, President Wilson assured Senator Stone that he was doing everything in his power to keep the United States out of war and he spoke confidently that he would continue to succeed. But he added:

"The course which the Central European Powers have announced their intention of following in the future with regard to undersea warfare seems for the moment to threaten insuperable obstacles, but its apparent meaning is so manifestly inconsistent with explicit assurances recently given out by those powers with regard to their treatment of merchant vessels on the high seas that I must believe that explanations will presently ensue which will put a different aspect upon it. We have had no reason to question their good faith or their fidelity to their promises in the past, and I for one feel confident that we shall have none in the future."

Then in regard to the right of this nation to establish a new international rule, he said:

"No nation, no group of nations, has the right, while war is in progress, to alter or disregard the principles which all nations have agreed upon in mitigation of the horrors and sufferings of war; and if the clear rights of American citizens should ever unhappily be abridged or denied by any such action we should, it seems to me, have in honor no choice as to what our own course should be."

He was most emphatic in his assertion that the rights of American citizens should not be abridged in any respect, and he explained:

"To forbid our people to exercise their rights for fear we might be called upon to vindicate them would be a deep humiliation indeed. It would be an implicit, all but explicit, acquiescence in the violation of the rights of mankind everywhere, and of whatever nation or allegiance. It would be a deliberate abdication of our hitherto proud position as spokesmen, even amidst the turmoil of war, for the law and the right. It would make everything this Government has attempted, and everything that it has achieved during this terrible struggle of nations meaningless and futile.

"It is important to reflect that if, in this instance, we allowed expediency to take the place of principle, the door would inevitably be opened to still further concessions. Once accept a single abatement of right, and many other humiliations would certainly follow, and the whole fine fabric of international law might crumble under our hands piece by piece. What we are contending for in this matter is of the very essence of the things that have made America a sovereign

nation. She cannot yield them without conceding her own impotency as a nation, and making virtual surrender of her independent position among the nations of the world."

The President's letter left no doubt in the minds of the Senators and the Members what his course would be. Moreover, it was in the nature of an ultimatum to Germany and Austria that those nations must not carry out their armed merchantmen order at the expense of the lives of American citizens.

When this letter was written, Congress was threatening to pass resolutions to instruct the President to warn American citizens to avoid sailing on armed merchantmen in spite of his protest that he should not be hampered in his diplomatic correspondence by such conduct on the part of the Senators and Members.

The situation was indeed very grave. And the President's firm stand struck terror to the souls of Senators and Members who already saw grim-visaged war approaching. All day long the situation was discussed. But after the night and some needed rest a calm settled over Congress and the resolutions were side-tracked by the leaders.

Three days later, February 27, Mr. Wilson was the guest of the Gridiron Club of Washington. The nation was still discussing the possibilities of war and Congress was slowly recovering from its fright. But on this occa-

sion he again assured the nation that his one prayer was to keep this nation out of war.

"America ought to keep out of this war," he said. "She ought to keep out of this war at the sacrifice of everything except the one thing upon which her character and history are founded, her sense of humanity and justice. If she sacrifices that, she has ceased to be America; she has ceased to entertain and to love the traditions which have made us proud to be Americans; and when we go about seeking safety at the expense of humanity, then I for one will believe that I have always been mistaken in what I have conceived to be the spirit of American history."

Thus the matter stood for awhile. The President refused to hold further conference with the leaders, and the resolutions were about to die in the committee rooms. Then it became an open secret that the President had been embarrassed by the "rebellion" in Congress. The Central Powers were resting their case on the assumption that the American nation was not supporting him, and March 1 was almost at hand when Germany's new order was to be enforced. There was a feeling of anxiety pervading the Capitol, when suddenly, on February 29, Mr. Wilson startled not only Congress, but the entire

nation by demanding that the Senators and Members go on record and thus show the combatants how this nation stood and whether the peoples' representatives were behind the President or not.

This was, perhaps, Mr. Wilson's boldest act during the entire war. He was the President of the United States, and he would convince the Central Powers on the eve of renewing their submarine warfare that the entire United States was backing its President.

Therefore, he wrote to Mr. Edward Pou, the ranking member of the Committee on Rules of the House of Representatives, "to urge an early vote" upon the resolutions.

"The report," he said, "that there are divided counsels in Congress in regard to the foreign policy of the Government is being made use of in foreign capitals. I believe that report to be false, but so long as it is anywhere credited it cannot fail to do the greatest harm and expose the country to the most serious risks."

He was now asking for an action that he had opposed heretofore in order "that all doubts and conjectures may be swept away and our foreign relations once more cleared of damaging misunderstandings."

He concluded his letter by saying that "the matter is of so grave importance and lies so clearly within the field of executive initiative that I venture to hope that your committee will not think that I am taking unwarranted liberty in making this suggestion as to the business of the House, and I very earnestly commend it to their immediate consideration."

The Senate was in confusion, and the House was a hot bed of excitement. On the day following, while the two bodies were debating whether they would give the President a vote of confidence and drop the whole question of armed merchantmen, Mr. Wilson served notice that he would consent to nothing less than a record vote on the resolutions before he went on with the German submarine negotiations. And this was on March 1, the date for the beginning of execution of the new submarine order by Germany and Austria.

And Congress decided on March 2 to face the clear cut issue, while the President, pale and somewhat careworn from the long controversy, waited with grim resolution for Congress to line up behind him.

His courage and wisdom soon had their reward. Within five days after Congress decided to face the issue, both the Senate and the House tabled the resolu-

tions by overwhelming majorities—the Senate 64 to 14 and the House 276 to 142. President Wilson dared Congress to set limits to the exercise of his constitutional powers, and it capitulated, and he was again intrusted fully with the authority to protect the rights of Americans and the honor of this nation. The neutral nations might still rely upon him to hold the warring powers to some ethical standard.

It was just at this time, March 9, that Villa's bandits made a raid on the American town of Columbus, and the policy of "watchful waiting" in Mexico was at an end. Those were busy days for the President.

Meanwhile, the submarine question remained just where it was when Secretary Lansing sent his note to the combatants. The President had adopted a policy of "watchful waiting" toward the Central Powers, but with the outstanding warning that the rights of neutrals and non-combatants must be respected. However, within a few days the submarine warfare was renewed.

On March 24 the British passenger steamer *Sussex,* engaged in cross channel traffic and carrying many American passengers, was torpedoed and fifty passengers were killed.

On the same date the American State Department received the refusal of the Allies to accept the proposal of Mr. Lansing, submitted on January 18, designed to regulate the operations of submarines against merchant ships and to prevent the arming of merchant ships.

On the following day news was received in America that the *Englishman,* a freighter bound for Portland, Maine, was torpedoed near the English Coast. And on March 30, the *Portugal,* a Franco-Russian hospital ship, was sunk by a Turkish submarine in the Black Sea and nearly 100 physicians, nurses, and members of the crew were lost.

The last week in March, therefore, brought a revival of cruelties and barbarities, which, this nation was repeatedly assured, would not be resumed. At first the German Government denied the *Sussex* was sunk by German submarines. And then an investigation followed, which proved that the ill-fated channel steamer, like many other passenger vessels, was the victim of the German submarine.

Without further words, President Wilson appeared before Congress, April 19, and declared very solemnly that "a situation has arisen in the foreign relations of this country of which it is my plain duty to inform you very frankly."

He then reviewed the controversy between this country and the central powers from the beginning of the submarine war to the sinking of the *Sussex.*

He declared this last act "must stand forth, as the sinking of the *Lusitania* did, as so singularly tragical and unjustifiable as to constitute a truly terrible example of the inhumanity of sub-

marine warfare as the commanders of German vessels have for the past twelve months been conducting it. If this instance stood alone, some explanation, some disavowal by the German Government, some evidence of criminal mistake or willful disobedience on the part of the commander of the vessel that fired the torpedo might be sought for or entertained; but unhappily it does not stand alone. Recent events make the conclusion inevitable that it is only one of the most extreme and distressing instances of the spirit and method of warfare which the Imperial German Government has mistakenly adopted, and which from the first exposed that government to the reproach of thrusting all human rights aside in pursuit of its immediate objects."

He spoke with feeling when he told how patient the Administration had been, how it had accepted "the successive explanations and assurances of the Imperial German Government as given in entire sincerity and good faith," and how it had been willing "to wait until the significance of the facts became absolutely unmistakable and susceptible of but one interpretation."

Moreover, he declared, "The Imperial German

Government has been unable to put any limit or restraints upon its warfare against either freight or passenger ships. It has, therefore, become painfully evident that the position which this government took at the very outset is inevitable, namely, that the use of submarines for the destruction of an enemy's commerce is of necessity, because of the very character of the vessels employed and the very method of attack which their employment of course involves, incompatible with the principles of humanity, the long established and incontrovertible rights of neutrals, and the sacred immunities of non-combatants."

Mr. Wilson then measured his words very carefully as he told the nations' representatives that he felt it his duty "to say to the Imperial Government that if it is still its purpose to prosecute unwarranted and indiscriminate warfare against vessels of commerce by the use of submarines" the Government of the United States has but one course it can pursue. It can have "no choice but to sever diplomatic relations with the Government of the German Empire."

"This decision I have arrived at, with the keenest regret," he said in conclusion. "The

possibility of the action contemplated I am sure all thoughtful Americans will look forward to with unaffected reluctance. But we cannot forget that we are in some sort and by the force of circumstances, the responsible spokesman of the rights of humanity, and that we cannot remain silent while those rights seem in process of being swept utterly away in the maelstrom of this terrible war. We owe it to a due regard for our own rights as a nation, to our sense of duty as a representative of the rights of neutrals the world over, and to a just conception of the rights of mankind to take this stand now with the utmost solemnity and firmness.

"I have taken it, and taken it in the confidence that it will meet with your approval and support. All sober-minded men must unite in hoping that the Imperial German Government, which has in other circumstances stood as the champion of all that we are now contending for in the interests of humanity, may recognize the justice of our demands and meet them in the spirit in which they are made."

Congress was asked for no official advice or authority. The President of the United States was simply exercis-

ing his constitutional prerogative to inform the Legislative body of the state of the Union and a step the executive had already taken, since his address to Congress was a part of a note that he had already sent to Germany. Several days before this address was delivered he held conferences with leaders of both Houses and of the two leading parties. And he was already confident that Congress was supporting him. Moreover, he knew that he was being supported by an overwhelming majority of American citizens, who had been waiting patiently for him to take the very step that he had been seemingly reluctant to take.

The country was now prepared to stand behind the President. The pacifists, who were so frightened when the *Lusitania* was sunk, had regained their courage and, although for peace, were supporting him. The ardent militarists who could see no reason for the President's waiting so long to take this vigorous step were, of course, ready to back up the Administration. And with a nation solidly believing in him, Germany reluctantly abandoned the position that had given rise to this new trouble. The note dated May 4 and published in the newspapers the following morning announced a change in the German submarine policy.

It stated that the Imperial Government "is prepared to do its utmost to confine the operations of the war for the rest of its duration to the fighting forces of the belligerents." Moreover, it expressed a determination

to impose upon all its commanders at sea the limitations of the recognized rules of international law upon which the Government of the United States had insisted. It explained also that German naval forces had received the following order:

"In accordance with the general principles of visit and search and the destruction of merchant vessels, recognized by international law, such vessels, both within and without the area declared a naval war zone, shall not be sunk without warning and without saving human lives unless the ship attempts to escape or offer resistance."

The German Foreign Secretary admitted that at this stage of the war, after twenty-one months of fighting, the German people could not think of "seriously threatening the maintenance of peace between the two nations." On May 8, Secretary Lansing replied with a brief note "accepting the Imperial Government's declaration of its abandonment of the policy which has so seriously menaced the good relations between the two countries." And the final word in the controversy was that "the Government of the United States will rely upon a scrupulous execution henceforth of the new altered policy of the Imperial Government."

Thus ended the long controversy between the United States and the Imperial German Government. Perhaps no neutral nation has in times of war accomplished so

much for the non-combatants. The great aggressor in the war was forced by peaceful means to recognize an ethical law that reigns above the mad brutality of reckless belligerents. To be sure it took time. The reforms of peace come more slowly than changes through revolution. But they are more permanent.

England soon followed Germany in bowing to international law. This nation had made one protest after another against England's violation of neutral rights in the seas. Our mails were seized, business was interfered with, vessels were confiscated, and American citizens were detained.

England was next to omnipotent on the seas. But the President challenged the British blockade as fearlessly and as skilfully as he did Germany's submarine warfare. The British Government, however, was relying upon the Declaration of London and British Orders in Council which was never signed and which bound nobody. But this Administration held that international law, not British Orders in Council, should be the final authority.

Soon after Germany agreed to abandon her submarine warfare against neutrals and non-combatants, the English prize courts decided that British Orders in Council "in derogation of neutral rights were invalid unless conformable with international law," and the English Government declared that Orders in Council henceforth will be made to conform to the law which they had assumed

to ignore, and that all Orders in Council would be reconsidered, and new orders would be issued in conformity with international law.

England's regard for this higher law, this law of nations, was expressed just before Germany inaugurated her new submarine policy. Admiral Beresford was advocating that all goods entering Germany should be considered contraband, and he remarked that if this step had been taken at the beginning of the conflict, war would now be over. Sir Edward Grey is reported to have replied with the following very significant remark, "If we had gone as far as that, the war might possibly have been over by now, but it would have been over because the whole world would have been against us, and we and our allies, too, would have collapsed under the general resentment of the whole world."

The viewpoints of the Allies and the Central Powers were alike to this extent, it was necessary to embarrass the enemy as much as possible and both violated established principles of international law. While England seized neutral vessels she appropriated only that which could be restored after the war. Germany went a step further and sacrificed the lives of innocent men, women, and children. These could not be restored after the war. Hence, the greater case was against Germany.

It was the diplomacy of President Wilson that ended the murder of innocent non-combatants and restored the rights of neutrals to the high seas. And the greatest

praise is merited because it was accomplished when half of the world was mad, without plunging this nation into war. "America has lifted high the light which will shine unto all generations and guide the feet of mankind to the goal of justice and liberty and peace."

CHAPTER XVI

MILITARY PREPAREDNESS BECOMES A NATIONAL PROBLEM

So many new adjustments had to be made at the beginning of the war that every home was touched and every heart was troubled. Moreover, there was a panicky feeling that, somehow, the United States might be drawn into the maelstrom. The people of this country were for peace. They had been taught for a generation that they had seen the last of war, and when the great conflict came the American public schools were teaching the children that war was sin. Therefore, even the very thought of war was exceedingly disconcerting.

President Wilson's determination to keep this country neutral and to nourish and cherish America first had a good effect, and the people sincerely hoped that his prophecies were true and that the war "would not affect the United States unfavorably in the long run." However, there was a militaristic party of considerable size and influence in the nation, and its members took a different view of the matter. They argued that America's safety and the rights of neutrals everywhere were jeopardized and they began to clamor loudly for mili-

tary preparedness. But Mr. Wilson's reply to them was, "There is no reason to fear that from any quarter our independence or the integrity of our territory is threatened."

Within a short time after the beginning of the war two very distinct parties appeared in America: (1) those who desired peace at any price save the loss of honor, and they believed that it could be secured with the right leadership; (2) those who believed that our relations with Europe were such that we were certain to be involved in the war. Therefore, this nation should arise and arm to the teeth.

The President believed with the first party that peace could be maintained with honor; but since he was the leader, he felt that the final test would depend upon the American people themselves. Hence, "America First" as the watchword of the hour, and he exhorted the people not to add in any way to the excitement in the world.

The adherents to the other party, however, were not so easily convinced. They saw with growing alarm the new modes of warfare employed in the European conflict. They saw that old methods were becoming obsolete, and that new engines and new machinery were revolutionizing warfare. They then began to make hurried investigations into the nature of our defenses, and reported that our army was small; our navy weak, and our coast defenses, inadequate; and they proclaimed the news and

their fears so loudly that there appeared, for the time, to be only one voice in the nation, and that one was for immediate military preparedness.

However, there were many replies to the extravagant assertions of the extreme advocates of preparedness. Their findings as to the condition of our defenses were vigorously assailed, and their arguments that this nation could not avoid the European entanglements were ridiculed.

Therefore, on December 7, 1914, when the short session of Congress convened after a brief vacation, one of the most perplexing questions that the President had to face and one, as he said in his message to Congress, "that goes deeper into the principles of our national life and policy," was that of strengthening our national defenses.

"It cannot be discussed," he continued, "without first answering some very searching questions. It is said in some quarters that we are not prepared for war. What is meant by being prepared? Is it meant that we are not ready upon brief notice to put a nation in the field, a nation of men trained to arms? Of course we are not ready to do that; and we shall never be in time of peace so long as we retain our present political principles and institutions. And what

is it that it is suggested we should be prepared to do? To defend ourselves against attack? We have always found means to do that, and shall find them whenever it is necessary without calling our people away from their necessary tasks to render compulsory military service in times of peace."

He then touched on a subject that found a ready response in the hearts of a great majority of the people—that there was really no need to fear that America would become entangled in the war. And he gave his reasons for making this assurance.

"We are at peace with all the world," he said. "No one who speaks counsel based on fact or drawn from a just and candid interpretation of realities can say that there is reason to fear that from any quarter our independence or the integrity of our territory is threatened. Dread of the power of any other nation we are incapable of. We are not jealous of rivalry in the fields of commerce or of any other peaceful achievement. We mean to live our own lives as we will; but we mean also to let live. We are, indeed, a true friend to all the nations of the world, because we threaten none, covet the pos-

sessions of none, desire the overthrow of none. Our friendship can be accepted and is accepted without reservation, because it is offered in a spirit and for a purpose which no one need ever question or suspect. Therein lies our greatness.

"We are the champions of peace and of concord. And we should be very jealous of this distinction which we have sought to earn. Just now we should be particularly jealous of it, because it is our dearest present hope that this character and reputation may presently, in God's providence, bring us an opportunity such as has seldom been vouchsafed any nation, the opportunity to counsel and obtain peace in the world and reconciliation and a healing settlement of many a matter that has cooled and interrupted the friendship of nations. This is the time above all others when we should wish and resolve to keep our strength by self-possession, our influence by preserving our ancient principles of action."

These utterances were in complete accord with the policies that he outlined at the beginning of the war, to place America first in the hearts of the people, to live our own lives as we will, and to hold the warring

nations to some standard that would pass the judgment of the world at the close of the war.

The militaristic party had a tendency to sneer at this "future judgment." It was believed that a large standing army was the only thing that would keep the belligerents in awe. However, the President replied, "we never have had, and while we retain our present principles and ideals we never shall have, a large standing army. . . . We shall not turn America into a military camp. We will not ask our young men to spend the best years of their lives making soldiers of themselves."

On the other hand he recognized that it was necessary to take precaution "against the spread of the conflagration." There is always, even in times of peace, some danger from without to a nation, and while half the world was in a state of war the danger was increased. Therefore, it was necessary, he argued, for America to examine its defenses very carefully, and to make such preparation as the experts deemed wise under the circumstances.

"We must depend in every time of national peril," he said, "in the future as in the past, not upon a standing army, nor yet upon a reserve army, but upon a citizenry trained and accustomed to arms. It will be right enough, right American policy, based upon our accustomed

principles and practices, to provide a system by which every citizen who will volunteer for the training may be made familiar with the use of modern arms, the rudiments of drill and maneuver, and the maintenance and sanitation of camps. We should encourage such training and make it a means of discipline which our young men will learn to value. It is right that we should provide it not only, but that we should make it as attractive as possible, and so induce our young men to undergo it at such times as they can command a little freedom and can seek the physical development they need, for mere health's sake, if for nothing more. Every means by which such things can be stimulated is legitimate, and such a method smacks of true American ideas. It is right, too, that the National Guard of the States should be developed and strengthened by every means which is not inconsistent with our obligations to our own people or with the established policy of our Government."

The President, then, turned his attention to the navy and its needs. "A powerful navy we have always regarded as our natural means of defense," he said; "and it has always been of defense that we have thought, never of aggres-

sion or of conquest. But who shall tell us now what sort of navy to build? We shall take leave to be strong upon the seas, in the future as in the past; and there will be no thought of offense or of provocation in that. Our ships are our natural bulwarks. When will the experts tell us what kind we should construct—and when will they be right for ten years together, if the relative efficiency of craft of different kinds and uses continues to change as we have seen it change under our very eyes in these last few months?"

The nation was headed into a strange sea, and few indeed could say just what this country needed. "But," said Mr. Wilson, "we shall not alter our attitude toward it because some amongst us are nervous and excited." And then he assured the people of America that we must agree upon a permanent policy of defense, not a sudden and temporary thing simply because the times are not normal, but upon a policy which "will not be for an occasion." And then he endeavored to assure both pacifists and militarists that "we are not unmindful of the great responsibility resting upon us. We shall learn and profit by the lesson of every experience and every new circumstance; and what is needed will be adequately done."

In a great democratic nation, all the people set to work to solve its perplexing problems. So many minds, so many opinions; and the greater the issue the louder are the popular debates, and the more difficult it is to reach a common basis for unity of action. The next morning after the President delivered this address, the American people began immediately to answer all the questions that had been referred to experts. Pacifists and militarists, alike, were for protection, but their ideas as to the best means were as far apart as the poles. Many looked upon our present state of unpreparedness as a death warrant for thousands of our citizens and as a pretext for other nations to offer insult after insult to our nation. Even Light Horse Harry Lee, of Revolutionary fame, was quoted: "A government is the murderer of its own citizens, which sends them to the fields uninformed and untaught, where they are to meet men of the same age and strength mechanized by education and disciplined by battle." On the other hand the pacifists were divided into two large camps—one was in favor of a certain degree of preparedness and claimed that we had already reached nearly that degree, while others looked upon preparedness and war as about the same thing, or read in preparedness all "the horrors of war."

President Wilson had succeeded in carrying the issue to the people, and a great democratic body was arguing technical questions with the fervor of old theological

debaters. However, a group of serious experts were quietly working away at the task and preparing to bring before the 64th Congress a concrete plan for the strengthening of our national defenses.

The President might argue that national defense was only for safety, that "we are the champions of peace and of concord," and that our opportunity had come "to counsel and obtain peace in the world." The pacifists knew that battleships were built for war, and standing armies were created to fight. Moreover, a popular assembly even of militarists must first agree on some plan before it could be acted upon. Therefore, any measure, in a popular assembly of pacifists and militarists, each of whom had different notions as to how peace could be maintained or how adequate preparedness could be provided for, had a long and slow journey ahead of it. But the President's ideas on the subject were before the nation, and each citizen was asking himself and his neighbor as well the questions that the President asked at the beginning of his address: "What is meant by preparedness?" And "What is it that it is suggested we should be prepared to do?" And the answers everywhere seemed to be, "Yes, what?"

The press of the nation helped the debate along. Although the President's specific plan for a national defense was criticised in many quarters, his general purpose, it was declared, "seems to accord with the mature sentiment of the country." The European war was

affecting the nerves of the American people, and the press of the country began calling for a statement of our actual preparedness.

The Secretary of War, Mr. Garrison, reported that the regular army embraced 92,000 men and officers, and that only about one-third of that number, or about 31,000 constituted the real fighting strength of the army, in movable forces. The remainder, or about 61,000 men and officers, were placed in quarter-master and hospital corps, in non-combatant administrative and executive boards, and in the Philippines, Hawaii, Panama, China, Alaska, and Porto Rico. This information had a double effect—(1) the people were astonished that American soldiers were quartered in so many corners of the globe, and (2) they were surprised to learn that we had so few soldiers ready for actual service.

The Secretary of the Navy called attention to the Report of the General Board of the Navy Department submitted by Admiral Dewey. It showed that there was an actual shortage of 4,565 men to man adequately all the vessels even then serviceable for war, and that the fighting strength of the navy was greatly inferior to that of England and second to that of Germany. The 63rd Congress came to a close on March 4, 1915, without considering the much debated question of adequate national defense. The President had no definite plan ready for consideration and the ardent advocates of preparedness could reach no agreement.

However, in the early spring of 1915 scarcely a day passed without bringing a story of some indignity to American citizens or some insult to the American flag. Vessels were seized by England; goods were confiscated; and American commerce was in distress. Moreover, American vessels were caught in the German submarine war zone, and stories of the destruction of commerce and the murder of American citizens struck terror to the pacifists and aroused the fighting instinct of the militarists.

Finally, on May 7, came the great tragedy of the war, the sinking of the *Lusitania*. Such a crime against humanity by a civilized nation had been unthinkable. But now it was felt, and the feelings were tumultuous and dangerous. National preparedness, up to that time, had been largely an academic question. But now, the nation was mad. Amid all the clamor and confusion of bluster and alarms, the one man who had asked Congress to consider a permanent policy for the defenses of the nation, was the least disturbed outwardly, and the best fitted apparently to guide the nation in the crisis. Military preparedness had now become a real issue.

The months of May and June were crowded with events of direful forebodings. The National Security League, which was organized December 1, 1914, to "arouse the public to a realization of our national preparedness," held a nation-wide conference, June 14 and 15, which over 10,000 delegates attended. The press

was full of the speeches of this conference when Mr. Bryan resigned from the cabinet; then the possibility of war and the state of our national defenses both rushed to the front pages of the newspapers. Germany's explanation of the sinking of the *Lusitania* was unsatisfactory; and the metropolitan newspapers were issuing extras and calling the nation to arms.

A hundred years ago when the nations of Europe were fighting for existence and American commerce was being ruthlessly destroyed by the warring powers, the people of the United States were so indignant that they could hardly wait even for the Administration to declare war. It was then recognized that our state of preparedness was so poor, that this knowledge in itself made the war spirit in America increase tremendously. The people of the nation, while Congress was debating, made generous subscriptions, built ships of war, armed them themselves, and actually loaned them to the government. All the large cities from Boston to Charleston made large donations. The women made flags and worked banners while the American people everywhere were drinking toasts to the "rising American navy." The clamor for preparedness and a realization of our poor defense a hundred years ago swept thousands of civilians into a war party, it was argued, who doubtless would have remained undisturbed if the nation had been strong and vigorous enough to meet the exigencies of war on the high seas.

In the summer and fall of 1915, history was repeating itself. The agitators for a great navy and army were so vociferous that what they lacked in numbers they made up in sound, and the extremists so muddled the matter that no one program was proposed having behind it the sanction of a large part of the country. It was recognized soon after the outbreak of the war that a great revolution had taken place in military and naval warfare, and men naturally began to question the efficiency of both our army and our navy. But, now, generalities would not satisfy, numerical comparisons were not convincing. The people were demanding detailed information.

The army experts were put to work studying our land defenses. But America had little to fear then from an invasion. The immediate necessity was for an adequate navy; and, everywhere the people seemed to feel keenly this need. However, the President had asked, "who shall tell us now what sort of navy to build?" . . . "When will the experts tell us just what kind (of ships) we should construct?" The submarine warfare had made the future uncertain. Therefore, Mr. Daniels, the Secretary of the Navy, acting on the suggestion of the President, organized a Naval Advisory Board composed of a number of scientists for the purpose of making available the latent inventive genius of the country to improve the navy. Mr. Thomas A. Edison was asked to accept the chairmanship of this new board and eleven

engineering and scientific societies were requested to select two members each to represent their respective societies on the Board.

The members of the Naval Advisory Board met in Washington October 6, and after organizing called on the President in a body. Mr. Wilson had said in his address to Congress on December 7, that "we shall learn and profit by the lesson of every experience and every new circumstance."

The experience of all neutral nations during the spring and summer of 1915 had been so shocking, and the circumstances at that time were so critical, that when this Board appeared before him, Mr. Wilson showed very clearly that he believed the time had come "to defend the life of this nation against any sort of interference."

"I think the whole nation is convinced," he said to the Board, "that we ought to be prepared, not for war but for defense, and very adequately prepared, and that the preparation for defense is not merely a technical matter, that it is not a matter that the army and navy alone can take care of, but a matter in which we must have the cooperation of the best brains and knowledge of the country, outside the official service of the Government as well as inside."

And he assured the members that he was seeking the

best expert advice. It was two months before the 64th Congress would assemble and he personally desired all the light possible.

"I want you to feel," he said, "those of you who are coming to the assistance of the professional officers of the Government, that we have not asked you to associate yourselves with us except for a very definite and practical purpose—to get you to give us your best independent judgments as to how we ought to make ready for any duty that may fall upon the nation."

The nation was really aroused over the question. The *World's Work* in November published the result of "a poll of 261 newspapers in all parts of the United States and of all complexions politically, on the need for strengthening the national defense." Only six of this number "showed any doubt of a need for stronger national defense." Therefore, the Editor concluded, "if the newspapers accurately reflect public opinion, the people of the United States are practically unanimous in their wish for improvement of the national defenses." However, there was such a difference of opinion as to means and methods for reaching the prepared state that "a statistical comparison of views thus became absurd."

Although President Wilson referred to a preparedness

plan several times during the summer and fall, he did not enter into a thorough discussion of it again until just a month before the opening of the 64th Congress. It had already become very evident to his more intimate advisers that not only the task of preserving neutrality and the fundamentals of international law but the dangers which were constantly increasing, were changing his views on preparedness or modifying them very greatly. This made him the target for the many who differed from him both in his own party and in the opposing party. For military preparedness was no longer a party question.

However, he faced the issue, fortified by his matured convictions and did not falter in the least because it differed somewhat from his earlier utterances. "The statesman," he had said, "stands in the midst of life to interpret life in political action." A man "may distrust his own intellectual processes but if he finds his heart part of the great throb of a national life, there can be no doubt about it. If that is his happy circumstance, then he may know that he is a part of one of the great forces of the world."

When his first address on preparedness was delivered there were too many conflicting opinions in the nation and the occasion was so close to the beginning of the war when few men indeed had given the subject enough calm judgment to reach a safe conclusion. And Mr. Wilson, the statesman, stood in the midst of that surging

life which was impossible of interpretation, save that the people wished to have nothing to do with war.

A year later, however, experts were ready with definite information about the state of our defenses. The European war had diminished the value of the latest inventions, and new methods of warfare had shown the weakness of the old defenses. Moreover, the conduct of the belligerents and the menacing Mexican revolution brought into clearer light the dangers that threatened from without. And the President was ready to act, for he was now unmistakably aware that his heart was "a part of the great throb of a national life."

On November 6 he was the guest of the Manhattan Club of New York, and he took this occasion to announce to the American people that the time had arrived when it was necessary to prepare "ourselves to vindicate our right to independent and unmolested action by making the force that is in us all ready for assertion." However, as he argued for immediate adequate preparedness, he was painstaking in his efforts to reassure all men that "the mission of America in the world is essentially a mission of peace and good will, "but that the time had come "to make sure of our own security."

He then declared that "we do want to feel that there is a great body of citizens who have received at least the most rudimentary and necessary forms of military training; that they will be

ready to form themselves into a fighting force at the call of the nation; and that the nation has the munitions and supplies with which to equip them without delay should it be necessary to call them into action. We wish to supply them with the training they need, and we think we can do so without calling them at any time too long away from their civilian pursuits."

And he advised the nation that he was completing his plans "which it will be my privilege to lay before the Congress at the next session." And that plan, he said, "calls for only such an increase in the regular army of the United States as experience has proved to be required for the performance of the necessary duties of the army in the Philippines, in Hawaii, in Porto Rico, upon the borders of the United States, at the coast fortifications, and at the military posts of the interior."

"For the rest," he said, "it calls for the training within the next three years of a force of 400,000 citizen soldiers to be raised in annual contingents of 133,000, who would be asked to enlist for three years with the colors and three years on furlough, but who during their three years of enlistment with the colors would not be organ-

ized as a standing force but would be expected merely to undergo intensive training for a very brief period of each year. Their training would take place in immediate association with the organized units of the regular army. It would have no touch of the amateur about it, neither would it exact of the volunteers more than they could give in any one year from their civilian pursuits."

After outlining his plan for improving the army, he spoke of the needs of the navy. The experts had been at work and they were able now to give him a partial answer to the question that he asked nearly a year before. And his remarks on the state of the navy brought some relief to the pacifists, but quick condemnation from many militarists.

"It has been the American policy time out of mind," he said, "to look to the navy as the first and chief line of defense. The navy of the United States is already a very great and efficient force. Not rapidly, but slowly, with careful attention, our naval force has been developed until the navy of the United States stands recognized as one of the most efficient and notable of modern time.

"All that is needed to bring it to a point of

extraordinary force and efficiency as compared with the other navies of the world is that we should hasten our pace in the policy we have long been pursuing, and that chief of all we should have a definite policy of development, not made from year to year, but looking well into the future and planning for a definite consummation.

"We can and should profit in all that we do by the experience and example that have been obvious to us by the military and naval events of the actual present. It is not merely a matter of building battleships and cruisers and submarines, but also a matter of making sure that we shall have the adequate equipment of men and munitions and supplies for the vessels we build and intend to build."

In closing this very notable address, he declared it to be his purpose to call for "the hearty support of the country, of the rank and file of America, of men of all shades of political opinion," for he said, "we are dealing with things that are vital to the life of America itself."

He was now speaking to the American people, not to Congress. He was talking as the executive of the nation to a free people who were deeply concerned over the matter. Many of his closest friends who agreed with his first utterances on the question of national defense and

applauded him, now disagreed with him and denounced him. However, new circumstances had arisen and he was rising to meet the new demands incident to these changed conditions.

He was speaking as the head of the nation and in a spirit of the finest patriotism when he asked the people to answer if his plan was "sane and reasonable and suited to the hour." "Does it conform," he asked, "to the ancient traditions of America? Has any better plan been proposed than this program that we place before the country?" And then he assured the country that although the plan he favored "represents the best professional and expert judgment of the country," if a better plan can be proposed, he desired its adoption. But "if men differ with me in this vital matter, I shall ask them to make it clear how far and in what way they are interested in making the permanent interests of the country safe against disturbances."

This address created tremendous interest throughout the country. The peace party was wildly excited and the President was accused of abandoning the position he had so firmly taken at the beginning of the war. The militarists for the most part were delighted, for they saw the

President taking the stand they had urged him to take from the first. But now more than ever before the issue was before the public; and clubs, debating societies, old men and young men, the press and law-making bodies throughout the nation renewed their arguments.

One characteristic of the American people is their ardent desire for an argument. Every great policy that the President directed through Congress was argued first by the people even before Congress had received it in the shape of a bill, and the people seem to settle it, somehow, the way Congress settles it; but frequently settle it first. Therefore, before Congress assembled on the 6th of December, the press throughout the country had presented the issue to the people, and the people began calling on Senators and Members to give their views, even before the delegates arrived in Washington.

When the 64th Congress assembled, the Secretary of War and the Secretary of the Navy had heard from their experts, and they had compiled their reports on the condition of the Army and the Navy. Their recommendations were embodied in these reports, which had been forecasted by the President in his address before the Manhattan Club. In speaking to Congress of the recommendations of the Secretary of War, he said:

"They contemplate an increase of the standing force of the regular army from its present strength of 5,023 officers and 102,985 enlisted

men of all services to a strength of 7,136 officers and 134,707 enlisted men, or 141,843 all told, all services, rank, and file by the addition of fifty-two companies of coast artillery, fifteen companies of engineers, ten regiments of infantry, four regiments of field artillery, and four aero-squadrons, besides 750 officers required for a great variety of extra service, especially the all-important duty of training the citizen force of which I shall presently speak, 792 non-commissioned officers for service in drill, recruiting, and the like, and the necessary quota of enlisted men for the Quartermaster Corps, the Hospital Corps, the Ordinance Department, and other similar auxiliary services. These are the additions necessary to render the army adequate for its present duties, duties which it has to perform not only upon our own continental coasts and borders and at our interior army posts, but also in the Philippines, in the Hawaiian Islands, at the Isthmus, and in Porto Rico."

He next recommended the plan, agreed upon by the Secretary of War and outlined in his Manhattan Club speech, to provide for training a force of 400,000 disciplined citizens. There was to be no compulsory military training; but he said:

"It would depend upon the patriotic feeling of the younger men of the country whether they respond to such a call to service or not. It would depend upon the patriotic spirit of the employers of the country whether they make it possible for the younger men in their employment to respond under favorable conditions or not."

When he came to the needs of the Navy Department, he went more into details than ever before. Referring to the report of the Secretary of the Navy, he said:

"The program which will be laid before you by the Secretary of the Navy is similarly conceived. It involves only a shortening of the time within which plans long matured shall be carried out; but it does make definite and explicit a program which has heretofore been only implicit, held in the minds of the Committees on Naval Affairs and disclosed in the debates of the two Houses, but nowhere formulated or formally adopted. It seems to me very clear that it will be to the advantage of the country for Congress to adopt a comprehensive plan for putting the navy upon a final footing of strength and efficiency, and to press that plan to completion within the next five years."

He then gave the nation a definite program which the Navy Department recommended and which he was endorsing and commending to the consideration of Congress.

"The program to be laid before you," he said, "contemplates the construction within five years of ten battleships, six battle cruisers, ten scout cruisers, fifty destroyers, fifteen fleet submarines, eighty-five coast submarines, four gunboats, one hospital ship, two ammunition ships, two fuel oil ships, and one repair ship. It is proposed that of this number we shall the first year provide for the construction of two battleships, two battle cruisers, three scout cruisers, fifteen destroyers, five fleet submarines, twenty-five coast submarines, two gunboats, and one hospital ship; the second year, two battleships, one scout cruiser, ten destroyers, four fleet submarines, fifteen coast submarines, one gunboat, and one fuel oil ship; the third year, two battleships, one battle cruiser, two scout cruisers, five destroyers, two fleet submarines, and fifteen coast submarines; the fourth year, two battleships, two battle cruisers, two scout cruisers, ten destroyers, two fleet submarines, fifteen coast submarines, one ammunition

ship, and one fuel oil ship; and the fifth year, two battleships, one battle cruiser, two scout cruisers, ten destroyers, two fleet submarines, fifteen coast submarines, one gunboat, one ammunition ship, and one repair ship.

"The Secretary of the Navy is asking also for the immediate addition to the personnel of the Navy of 7,500 sailors, 2,500 apprentice seamen, and 1,500 marines. This increase would be sufficient to care for the ships which are to be completed within the fiscal year 1917, and also for the number of men which must be put in training to man the ships which will be completed early in 1918. It is also necessary that the number of midshipmen at the Naval Academy at Annapolis should be increased by at least 300 in order that the force of officers should be more rapidly added to; and authority is asked to appoint, for engineering duties only, approved graduates of engineering colleges, and for service in the Aviation Corps a certain number of men taken from civil life.

"If this full program should be carried out we should have built or building in 1921, according to the estimates of survival and standards of classification followed by the General Board of

the Department, an effective navy consisting of twenty-seven battleships of the first line, six battle cruisers, twenty-five battleships of the second line, ten armored cruisers, thirteen scout cruisers, five first-class cruisers, three second-class cruisers, ten third-class cruisers, 108 destroyers, eighteen fleet submarines, 157 coast submarines, six monitors, twenty gunboats, four supply ships, fifteen fuel ships, four transports, three tenders to torpedo vessels, eight vessels of special types, and two ammunition ships. This would be a navy fitted to our needs and worthy of our traditions."

This much discussed question was at last in shape for official consideration. On the morning before President Wilson laid this important program before Congress, the New York *World* published the views of prominent men of the nation without regard to special occupations or political parties. The two ex-presidents, governors, college presidents, captains of industry, men of international reputation as lawyers and scientists, presented a unanimity of views that was remarkable. All agreed that "preparedness" is the prominent issue today, and that it is in no sense a party measure. Many disagreed with the President as to details, but almost without exception the voice was one—we should be prepared for emergencies.

Although there was much disagreement over the details of the President's plan, no one with any respectable following had come forward with a better plan; and in the midst of this babel of words the conservative press of the country was urging Congress to accept the President's plans as they were, since it was the one recommendation on which there was the most agreement. Not in years had there been more confusion over a great national question.

The House and Senate committees, much affected by the situation, were very cautious in making provisions for a budget sufficient to provide the means of safeguarding the nation, or of providing additional revenue. How much money would be required? How was the extra cost to be raised? And a considerable number of Representatives took the position that no bill for raising revenue to provide for the additional expense should be framed until the naval and military committees had reported their national defense measures. But others contended that the naval and military committees should not report bills for national defense until the Ways and Means Committee had prepared a plan for raising revenue.

It was quite evident that if the national defenses were strengthened, Congress must provide additional revenue. The President suggested that "we should be following an almost universal example of modern government if we were to draw the greater part or even the whole of

the revenue we need from the income tax." He also pointed to "many additional sources of revenue which can justly be resorted to." However, he left that problem with the Ways and Means Committee but advised them "that the industry of this generation should pay the bills of this generation."

President Wilson believed strongly in a public conscience and a public passion. And in all of his acts he seemed to be seeking earnestly to interpret that conscience and understand that passion.

"I am not put here to do what I please," he said, "I am put here to interpret, to register, to suggest, and, more than that, and much greater than that, to be suggested to." He admitted that "in domestic matters I think I can in most cases come pretty near a guess where the thought of America is going to be, but in foreign affairs the chief element is where action is going on in other quarters of the world and not where thought is going on in the United States."

In all of his leading policies, therefore, he first sought to interpret the spirit of America. He knew that spirit was for peace, and this accorded with his own thought and feelings. He knew also that that spirit was for an adequate preparedness in order that America might not be molested in the enjoyment of its own rights and privi-

leges. And this national spirit accorded also with his own thoughts and feelings, for altered circumstances due to unusual conditions in Europe, had compelled the American spirit to take this direction. Therefore, he entered into the campaign for adequate preparedness with all the zeal of a crusader.

When the new year (1916) opened, military preparedness was the paramount issue and it was demanding a hearing before all others. Mr. Wilson had only to sit and listen in order to hear the voice and to feel the heart vibrations. A large number of organizations were conducting campaigns all over the country to focus attention on national defense issues. Among these were the Grand Army of the Republic, Daughters of the American Revolution, Sons of the American Revolution, United Confederate Veterans, Daughters of the Confederacy, Spanish War Veterans, the Navy League of the United States, and the recently organized Women's Section of the Navy League. The American Defense Society began publishing a magazine in which President Wilson's fight for preparedness was strongly endorsed, and the newly organized Committee on Industrial Relations announced that it was preparing to conduct a vigorous campaign in the interest of national defense.

However, these various leagues, associations and societies were not altogether in harmony with the program suggested by the President or any particular program, and much of the public discussions were for the purpose,

it seemed, of furthering the private ideas of particular individuals or societies. Still no one with any respectable following had made any better beginning toward strengthening our land and sea forces than was set forth in the President's plans. And the public voice, constantly increasing in volume, was urging Congress to act on the President's recommendations.

The members of Congress showed a willingness to pass measures of defense if a common agreement could be reached as to what measures to pass. But the advocates of a much larger army and a much larger navy than the Administration bills provided for seemed to muddle the matter, without in the least strengthening their own position. They talked about compulsory service and universal training, and they fretted and fussed and wasted valuable time discussing measures which could not be put into effect for many years.

The nation was harassed by outrages in Mexico and by violations of rights of neutrals on the high seas, and scarcely a day passed without its special warning of the dangers we were incurring. Yet, strange to say, men of prominence in the nation, who were speaking vociferously against the President's program, joined in the cry for war with Mexico and war with Germany or England if our rights were not guaranteed absolutely, and without delay.

At the beginning of the New Year, however, the issue had become more hopeful, since it was becoming quite

clear that the great fight would not be along strictly party lines, but would be between preparedness enthusiasts and pacifist enthusiasts, whatever the real motives of each might be. Many in both camps were accused of thinking more of political advantage than of national honor, while the large majority of the people were earnest in their deep desire for effective national preparedness.

Since the party in power, however, lacked as a rule "articulate expression of a sufficiently forcible character to stimulate the national legislators to action" the burden of inspiring the public "to an unmistakable utterance of its will in the matter" was placed upon the President. His large personal popularity, together with his eloquence and logic, was employed to induce the people to overcome the apathetic indifference, the unreasonable hostility, and the selfish partisanship exhibited in Congress, in order that the matter of our national defenses might be settled as soon as possible.

The President, therefore, decided to take the issue to the people. More than once in his fight for the New Freedom, did he threaten to take the issue of the moment to the people. But, somehow, Congress acted in time to the satisfaction of the nation. But now there was too much confusion, too many discordant voices, and this was Mr. Wilson's method of clarifying the atmosphere.

CHAPTER XVII

THE PRESIDENT TAKES THE ISSUE TO THE PEOPLE

It was on January 27, 1916, that Mr. Wilson left the White House to tell the people of the East and the West of the confusion in Washington and the pressing need of the hour. The first stop in his itinerary was New York. Everybody who wishes to be heard in America, sooner or later, goes to New York. That city is so vocal, perhaps, because it is so provincial. Anyway, New York was the President's first point of attack, since it was virtually the home of every society that was working for or against the President's program.

There, he made four speeches, to business men who were for preparedness; to ministers of the gospel who were for peace; to motion picture men, who were neutral; and to suffragists, who wanted to hear the President. But neither the fraternity, the occupation, nor the politics of the occasion affected his subject. To each group he gave a part of his great theme with sufficient variations to make it applicable to the occasion. And the next day the people of the far West who were already making preparations for his coming read the first installment of

his continued story and became enthusiastic to hear the concluding chapters.

He did not hesitate to tell the people that this nation was in great danger. This was his theme in New York, and he did not depart from it as he journeyed westward. And the corollary to this main theme was patriotism. In fact he was seeking always to reach that center in the heart where patriotism abides in order that it too might become vocal.

After his visit to New York, he returned to Washington and made preparations for his western trip. Pittsburgh was his next point. "New circumstances have arisen which make it necessary for America to defend herself" was the way he opened his campaign in Pennsylvania. But he was in the heart of the steel and iron industry where both business and patriotism were in sympathy with his program.

At Cleveland he pictured two-thirds of the world at war and defined America's duty of the hour. "We have interests that are being slowly drawn into the maelstrom of this tremendous upheaval," he said, and Cleveland's reply was for preparedness.

Leaving Ohio, he drove straight to the center of the German-American population. "I know that you depend on me to keep this nation out of war" was his greeting to Milwaukee. Then he discussed the composite character of the American people; he told the German-Americans to love the land of their birth; and he sympathized with

them over the cloud of suspicion that had rested awhile above the fatherland. But when he appealed to them to be American citizens first, Milwaukee's response was one continuous round of applause, and the Mayor of that city remarked, "This is Milwaukee's answer to the world."

Having touched the heart of the foreign-born population in the great Northwest, he returned by way of Chicago. He reminded the business men of that city that our commerce has been interfered with, that America's dangers "come from her contacts with the rest of the world" and that we are living in a world on fire and "our house is not fireproof." Then, he assured the champions of preparedness that "we mean business." And Chicago was convinced that it is our duty to prepare at once.

His itinerary next led him across the Mississippi and into the great corn states of the West. He asked the citizens of Iowa who came to hear him at Des Moines if there was really much "indifference and lethargy in the Middle West with regard to the defense of the nation." He had been told so. But he said, "I do not believe it, I am going out to see," and he was given an unmistakable and unequivocal response when he asked Iowans, "Do you wish to have all the world say that the flag of the United States which we love can be stained with impunity?"

Still westward he carried his message until he reached the heart of Kansas, where, it was said, the greatest opposition to his program would be found. At Topeka, he

told the farmers of this great stock and grain country that the world needs the wheat of the Kansas fields and "we have a right to supply the rest of the world with the product of these fields." He warned the West of the dangers to our commerce, and he pointed out the difficulties this nation must overcome in keeping the lines of trade open, and Kansas was full of fight, as the President learned when he turned this sentence, "Kansas has made trouble for everybody that interfered with her liberty or her rights, and if I were to pick out one place which was likely to rise first and get hot first about invasion of the essential principles of American liberty, I certainly would look to Kansas among the first places in the country."

At Kansas City, the scene at the close of his address was dramatic. Eighteen thousand people, after listening attentively to the close, made such a demonstration that the President, deeply affected by the uncontrolled emotion, stepped to the front and asked the audience if he might lead in singing "America," and a tremendous chorus, it is said, was raised in behalf of,

> My country, 'tis of thee,
> Sweet land of liberty,
> Of thee I sing.

The President was now moving eastward again, and the last stop in his itinerary was at St. Louis, where he spoke twice—once for military preparedness, and once for industrial preparedness. His story was completed.

He had come out for a purpose; it was accomplished, and he reassured himself that this country is not wanting in patriotism. He had made ten speeches in halls and the same number from the rear platform of the train. He had spoken to approximately 100,000 people and had been welcomed by perhaps five times that number. The large foreign element came out to hear him and became enthusiastic, and the greatest demonstration had been at the farthest points West, where, it had been predicted, he would have the least sympathy.

Such was the President's remarkable campaign for military preparedness. For a week the press of the country kept this one issue before the people, and the psychological effect was very great indeed. The nation was astir, but a better spirit prevailed. The President left the details of the plan to be worked out by Congress, and the vocal part of the nation was in general accord with the outlines. The patriotism of the nation was aroused, and, with a feeling of satisfaction for what had been accomplished and a confidence in what Congress would do under the steady pressure of the demands from the people down home, the President returned to Washington to hasten action and await results.

The effect of the appeal to the people was felt on the continent of Europe, and the nations at war pondered over his words and took warning. England read in his utterances a determination to force the central powers to another plane of international morality; and Germany

interpreted his language to mean that the rights of Americans to trade in Europe must be respected by the Allies. And both parties to the war understood that America was determined to be prepared for any emergency that might arise.

CHAPTER XVIII

THE NATION FOR MILITARY PREPAREDNESS

The nation had been discussing the issue for over twelve months, and the grand climax to all the arguments and debates was the President's tour of the country. But the time had come now to act. It was generally agreed that our defenses should be greatly strengthened and the efficiency of our military establishment should be increased. But the great question was, how?

The Federal Constitution gave Congress the power to raise and support a standing army. Moreover, it was empowered to provide for organizing, arming, and disciplining the militia and for calling it forth in times of need. However, there has not been a decade since the Constitution was established and since these two resources for the protection and safety of the nation were provided, that this question has not arisen: Shall the safety of our land defenses rest finally upon a standing army, or upon the militia? In every proposed plan for the reorganization of the army or for strengthening our defenses, the debate has revolved around this question. It was debated when the Federal Constitution was adopted. It was argued during the war of 1812. It was

a problem when the Monroe Doctrine was promulgated; and in 1836, nearly fifty years after the debate first began, the whole argument was stated anew, though in a partisan manner, by Edward Everett of Massachusetts:

"There are two resources," he said, "for protection and safety in the first outbreaking of war and in times of civil commotion. One is a well-organized, patriotic militia, ever present, rarely seen, quartered among us, not in camps and forts, but at the fireside, in the counting room, the workshop, the place of business. This is one. The other resource is a standing army, encamped on Boston Common or stationed on Castle Island. One or the other we must have. And the man who sets himself to ridicule the militia, to exaggerate the defects of the system, to embarrass its administration, to bring it into discredit, wishes one of two things—he either wishes the country to be wholly exposed to insult from abroad, and a prey at home to anarchy, to mob law, club law, and a general scramble, or he wishes to see a flag staff planted in front of the State House, a couple of cannon pointing down State Street, to hear the morning gun at daybreak, and to hold the exercise of his daily rights as a citizen at the discretion of a military commander."

And he proposed the following toast:

"A well-organized, efficient, and patriotic militia—in time of peace, the bulwark of the law; in war, the basis of defense: May it be restored to the public favor."

This toast makes it quite evident that Edward Everett

was afraid of a standing army and the influence of the army officer in the nation. After eighty years that feeling still abides in the nation. However, the militia as a real fighting machine is not held in much esteem by those who think most of arms and invasion and defenses, and it is quite evident that the eighty years have not increased the love of the army officer for the militia. The campaign for preparedness was renewed in earnest soon after the outbreak of the European war. But every measure that looked toward meeting the needs of our defenses resolved itself sooner or later into the old question, shall the standing army or the militia be the basis of our defenses?

The continental army plan that was finally presented to Congress by Mr. Wilson on December 7 was worked out by Mr. Garrison, the Secretary of War, and the army experts. In its purpose to create a continental army of 400,000 citizen soldiers under direct national control, it favored the Federal Army and minimized the importance of the National Guard. However, as soon as it was presented to the House, the Committee on Military Affairs dissented and the fight began—the old, old fight that was more than a century old.

Mr. Garrison was unalterably opposed to building up the National Guard. The Committee on Military Affairs, however, was in favor of strengthening the National Guard. It was apparent to Mr. Garrison that Congress would turn down his recommendations unless President

Wilson "personally exerted the power" of his leadership to save them. Therefore, he wrote to the President on January 12 and again on the 14th, urging him to "exert" himself in behalf of the plan proposed and the one that the President had recommended to the Congress. Mr. Wilson replied three days later:

"You believe, as I do, that the chief thing necessary is that we should have a trained citizen reserve, and that the training, organization and control of that reserve should be under immediate Federal direction.

"But apparently I have not succeeded in making my own position equally clear to you, though I feel sure that I have made it perfectly clear to Mr. Hay (Chairman of the House Committee on Military Affairs.) Remember that I am not irrevocably or dogmatically committed to any one plan of providing the nation with such a reserve, and am certainly willing to discuss alternate proposals.

"Any other position on my part," he said, "would indicate an attitude toward the Committee on Military Affairs of the House of Representatives which I should in no circumstances feel at liberty to assume. It would never be proper or possible for me to say to any com-

mittee of the House of Representatives that, so far as my participation in legislation was concerned, they would have to take my plan or none.

"I do not share your opinion that the members of the House who are charged with the duty of dealing with military affairs are ignorant of them or of the military necessities of the nation. On the contrary, I have found them well informed and actuated by a most intelligent appreciation of the grave responsibilities imposed upon them. I am sure that Mr. Hay and his colleagues are ready to act with a full sense of all that is involved in this great matter, both for the country and for the national parties which they represent.

"My own duty toward them is perfectly plain. I must welcome a frank interchange of views and a patient and thorough comparison of all the methods proposed for obtaining the objects we all have in view. So far as my participation in final legislative action is concerned, no one will expect me to acquiesce in any proposal that I regard as inadequate or illusory. If, as the outcome of a free interchange of views, my own judgment and that of the committee should prove to be irreconcilably different and a bill should be

presented to me which I could not accept as accomplishing the essential things sought, it would manifestly be my duty to veto it and go to the country on the merits."

He stated, furthermore, that he had had "a delightfully frank conference with Mr. Hay" and had said to him, "I was perfectly willing to consider any plan that would give us a national reserve under unmistakably national control, and would support any such scheme if convinced of its adequacy and wise policy." More, he said Mr. Hay had not asked or desired.

This letter was not at all satisfactory to the Secretary of War. But the President left the capital for a tour of the country, and the matter rested for a few days. However, in his speeches Mr. Wilson did not come out emphatically and unqualifiedly for Mr. Garrison's continental plan nor with the emphasis that the Secretary of War desired. Therefore, soon after his return, he received a third letter from Mr. Garrison which contained these words: "If we are not in agreement upon these fundamental principles, then I could not, with propriety remain your seeming representative."

One of these "fundamental principles" was an amendment to the bill extending further self-government to the Philippines. Mr. Wilson replied that he also thought that that amendment was unwise. The other "funda-

mental principle'' referred to pertained to the century old problem, to which Mr. Wilson replied:

"As I have had occasion to say to you, I am not yet convinced that the measure of preparation for national defense which we deem necessary can be obtained through the instrumentality of the National Guard under Federal control and training, but I feel in duty bound to keep my mind open to conviction on that side, and think that it would be most unwise and unfair to the committee of the House which has such a plan in mind to say that it cannot be done. The bill in which it will be embodied has not yet been drawn, as I learned from Mr. Hay today. I should deem it a very serious mistake to shut the door against this attempt on the part of the committee in perfect good faith to meet the essentials of the program set forth in my message, but in a way of their own choosing.

"As you know, I do not at all agree with you in favoring compulsory enlistment for training, and I fear the advocacy of compulsion before the committee of the House on the part of the representatives of the Department of War has greatly prejudiced the House against the pro-

posal for a Continental Army, little necessary connection as there is between the plan and the opinion of the Chief of Staff in favor of compulsory enlistment.

"I owe you this frank repetition of my views and policy in this matter, which we have discussed on previous occasions in the letters which we have exchanged and in conversation. I am very much obliged to you for your own frank avowal of your convictions. I trust that you will feel no hesitation about expressing your personal views on both these subjects on the two occasions to which you refer, but I hope that you will be kind enough to draw very carefully the distinction between your own individual views and the views of the Administration.

"You will, of course, understand that I am devoting my energy and attention unsparingly in conferences with members of the various committees of Congress in an effort to procure an agreement upon a workable and practicable program. This is a time when it seems to me patience on the part of all of us is of the essence in bringing about a consummation of the purpose we all have in mind."

This letter was in the nature of a rebuke to the War Department because of the activity "on the part of the representatives of the War Department" which "has greatly prejudiced the House against the proposal for a Continental Army." Moreover, it made it clear to Mr. Garrison that the President was not in sympathy with many of his views. Therefore, he very promptly sent his resignation to the President and it was accepted with "sincere regrets."

The disagreement in the Cabinet was only a part of that larger disagreement that was evident everywhere—in Congress, on the streets, in public meetings, and in the press.

Army officers were charged with exercising undue influence in order "to ruin and destroy the National Guard," and it was prophesied that a large standing army in the hands "of these Regular Army officers" would lead "straight toward the bottomless abyss of oblivion, into which every free nation which has preceded us disappeared."

Moreover, every attempt to strengthen the National Guard was vigorously assailed. Its advocates were ridiculed and every measure or amendment that favored the militia was classed as "pork barrel," meaning, of course, that Members preferred a little provincial graft to a strong standing army.

These two extreme views serve to show the problem

that confronted the Members and Senators in the spring of 1916, when they undertook to deduce from conflicting and hostile public sentiment a universal rule that would appear just to all.

However, Congress must find some way out of the difficulty. The first step was taken by the House on February 7, when two minor bills were passed. One provides for adding about 300 midshipmen to the entering classes at the Naval Academy. The other authorized the equipping of the navy yards at New York and Mare's Island for the construction of two battleships already authorized. These bills were passed without a dissenting vote. The cheerful feature of the advocates' program was seen in the acts of Speaker Clark, Democrat, and Minority Leader Mann, Republican. Both were fighting side by side for the measures. Preparedness was not a partisan issue.

The great fight was over the reorganization of the Army, not over the increase asked for in the Navy. The Hay plan, the Chamberlin plan, and the War Department plan were before the Congress and the people of the nation. These three plans were discussed and revised and amended through March and April. But in May the danger from Mexico became more portentous. We had a long border across which the bloody hand of war had already been extended. The President had said that we did not have troops sufficient to patrol the border. The renewal of the submarine warfare held up grave

dangers to this nation and a break with Germany was threatening. Still Congress argued and amended and debated. But still it was made to appear that we were either threatened by a Standing Army, "the bottomless abyss of oblivion"; or by a National Guard, the selfish greed of "pork barrel" legislation and state graft.

The demand for preparedness became more and more insistent. A monster parade was planned in New York to give expression to the feelings of the people, and on May 13 approximately 140,000 persons of all grades of life and of all trades and professions from bankers to industrial workers, fell in line and marched through the streets. Mr. Thomas A. Edison, the great inventor, was at the head of the procession.

New York's precedent was followed by Chicago with a parade of about 125,000 and Boston with approximately 100,000. But Washington's great demonstration presented the President of the United States with a flag in his hand marching at the head of the procession. Flag Day became "Preparedness Day" in hundreds of cities, and immense crowds marched through the streets, thus showing their interest in the question. Moreover, mayors of nearly one hundred cities in nineteen states signed a call for a preparedness convention to be held in Chattanooga, Tennessee, during the first week in June.

Everybody was discussing preparedness. Congress was cartooned for being asleep, for being unable to act, for being afraid of the Army officer, and for falling in

love with the "pork barrel." Every conceivable influence was brought to bear on the nation's representatives to urge them to act either this way or that in the defense of the country.

Then finally, under this pressure, the two Houses agreed on the last of May to a plan for the reorganization of the Army and sent it to the President.

While the bill was lying on his table waiting for him to sign it, President Wilson delivered an address at the Memorial Day exercises held in Arlington National Cemetery, May 31. On this occasion he made it clear again that he did not believe in compulsory military training. "I want to point out to you," he said, "the only process of preparation which is possible for the United States. It is possible for the United States to get ready only if the men of suitable age and strength will volunteer to get ready."

He reminded the people that the latest bill for the reorganization of the Army was then lying on his table. This had come as the result of the great agitation throughout the nation. Everybody seemed to be talking preparedness.

"I heard the President of the United States Chamber of Commerce," he said, "report the other evening on a referendum of 750 of the Chambers of Commerce of the United States upon the question of preparedness and he reported that

99 per cent of them had voted in favor of preparedness."

Then he added:

"Very well, now we are going to apply the acid test to those gentlemen and the acid test is this: Will they give the young men in their employment freedom to volunteer for this thing? I wish the referendum had included that, because that is of the essence of the matter."

In other words, how many of those business men, who were amply able, would give the young men a vacation or even keep them on the pay roll while they went into training to offer their lives to the best advantage for their country's welfare?

"It is all very well," he said, "to say that somebody else must prepare, but are the business men of this country ready themselves to lend a hand and sacrifice an interest in order that we may get ready? We shall have an answer to that question in the next few months. A bill is lying on my table now ready to be signed which bristles all over with that interrogation point, and I want all the business men of the country to see

that interrogation point staring them in the face."

The President then returned to the White House to consider the new act of Congress, and on June 3, he gave it his approval and a large part of the preparedness program had at last become a law.

The new act provides for an increase in the standing army from a total enlisted strength of 100,000 to 175,000. But this increase is to be made "in five annual increments, each of which shall be, in each grade of each army corps and department, as nearly as practicable, one-fifth of the total increase authorized." But in the event of actual or threatened war or similar emergency "in which the public safety demands it the President is authorized immediately to organize the entire increase authorized by this Act, or so much thereof as he may deem necessary."

All the enlistments in the Regular Army "shall be for a term of seven years." This provision was in the old law. However, instead of spending four years in actual service and three years in the Reserve, the terms were reversed—three years in the Regular Army and four years in the Reserve. Moreover, men who have high rating in the Regular Army can leave active service at the end of one year and go into the Reserves.

The Reserves may engage in ordinary civil occupations, but will be subject at once to the call of the colors in

time of danger. When the plan is in full operation, it is claimed that "the number in the Reserves will be theoretically one-third greater than the number in the active army." Therefore, if the color strength of the fighting force is 175,000, the Reserves will provide, in addition, about 233,000 men, or a total of 408,000 soldiers immediately prepared to respond to the President's call in time of danger.

The Militia law in force before this act was passed provided: "that the Militia shall consist of every able-bodied male citizen of the respective states . . . and every able-bodied male of foreign birth who has declared his intention to become a citizen, who is more than 18 and less than 45 years of age, and shall be divided into two classes—the organized militia, to be known as the National Guard . . . or by such other designations as may be given them by the laws of the respective States or territories; the remainder to be known as the reserve Militia."

The new act provides for the reorganization of the National Guard. But the greatest change made was in providing for the pay of officers and soldiers. Therefore, it became necessary to fix more definitely the size of the National Guard in the respective states. The new act provides, therefore, that the number of enlisted men of the National Guard "shall be for each state in the proportion of two hundred such men for each Senator and Representative." But it may be increased "until a total

peace strength of not less than eight hundred enlisted men for each Senator and Representative in Congress shall have been reached." This provides, therefore, for approximately 400,000 soldiers in the National Guard. Thus after five years, when both the Regular Army and the National Guard are fully organized, the nation will have a defensive force of about 800,000 soldiers.

The law provides, moreover, that "each enlisted man in the active list belonging to an organization of the National Guard . . . shall receive compensation for his services . . . at a rate equal to twenty-five percentum of the initial pay now provided by law for enlisted men of corresponding grades of the Regular Army." But during periods of service the members of the National Guard will receive the same pay as an enlisted man of corresponding grade of the Regular Army.

The compensation provided for is based upon the number of drills attended. Each enlisted man may receive $48 a year. But the officers may receive amounts as follows: Captain, $500; First Lieutenant, $240; Second Lieutenant, $200.

Whenever Congress authorizes the use of the armed forces of the United States, "for any purpose requiring the use of troops in excess of those of the Regular Army, the President may draft into the military service of the United States to serve therein for the period of the

war . . . any or all members of the National Guard and of the National Guard Reserve."

These together with the Regular Army and the Federal Reserves will place at the call of the nation about 800,000 soldiers, and within a few years the total may reach a million men. Moreover, there is ample provision for special training camps and for officers' training camps in the colleges, and educational courses for the soldiers with the colors to fit them for some trade on their return to civil life.

No military measure to compare with it has ever been passed by Congress—not even during the Civil War, and with its passage the greater part of the fight for preparedness was over.

CHAPTER XIX

THE NEED OF COMMERCIAL PREPAREDNESS

Military preparedness was only one of the new issues created by the war. Commerce, business, finance, education—all were greatly affected. The war, therefore, had been in progress only a few weeks when commercial preparedness became a live issue. In his campaign for military preparedness, President Wilson said:

"By an oversight, for which it is difficult to forgive ourselves, we did not provide ourselves when there was proper peace and opportunity with a mercantile marine, by means of which we could carry the commerce of the world without interfering with the natives of other nations which might be engaged in a controversy not our own."

This oversight explains much of the depression in business, the panic of the railroads, the closing of factories, the decline in the price of cotton, the rise in the cost of living, and the diminishing returns from the tariff during the first months of the European war. But how did this "oversight" have such a damaging effect on the American people?

It was well known in trade circles even before the outbreak of the European war that the ships of European nations were really the carriers of American commerce. Only about eight per cent of American foreign trade was carried in American vessels. Moreover, it is the established policy of this Government to draw the larger part of its revenue from the tariff which is dependent upon this trade. Therefore, any force that affects trade affects, likewise, the whole commercial life of the people and the revenue of the American Government.

At the beginning of the war only six steamships out of the three hundred, more or less, regularly engaged in the great transatlantic trade between the United States and Europe, were flying the American flag. Moreover, there were no American steamship lines to the leading countries of South America with the exception of one freight line operated by the United States Steel Corporation with the chartered ships of the American-Hawaiian Company from New York to Brazil. Such was America's commercial preparedness to meet a great crisis, when the world should have been her trade unit and vessels flying the American flag should have crowded all the seas.

The vessels of Germany and England were supreme on the seas. However, at the outbreak of the war the ships of Germany were at once bottled up at home or interned in foreign ports to lie idle until the end of the

war. The vessels of England were now the servants of the war. Many were converted into naval auxiliaries. Many more were impressed into service as transports for troops. The great transatlantic liners were carriers of war munitions, and all were subject to such risks that war insurance made it next to unprofitable to carry any freight save war supplies. The result was natural—a paralysis of American commerce and a stagnation in all business circles, a decline in revenue and a resort to new and vexatious modes of taxation, a discontent throughout the nation and a widening of the breach between citizens whose sympathies were running strongly with their respective fatherland at war; and not only was the prosperity of the entire nation seriously disturbed, but the neutrality of its citizens was greatly endangered.

More than a century ago Washington and Jefferson warned this country that dependence upon foreign nations as our sea carriers was a costly blunder, and so quickly did American business respond to that warning that by 1810 American ships were carrying over 90 per cent of this country's produce. But in 1910, a century later, foreign nations were carrying more than 90 per cent of American trade, while American vessels were carrying barely 8 per cent. It was the Civil War that finally destroyed American commerce and gave to England the supremacy of the seas, and since that time American business has developed under Governmental protection. Therefore, it ceased to seek new fields of

adventure where the protection of the Government was wanting.

Over and over again the question of subsidies to American ships was proposed in Congress. This policy was championed by the Republican party, under whose guidance American business formed the habit of relying on the Government for protection. But the Democratic party, having a traditional abhorrence for such protection whether pertaining to the tariff or to American built ships, declared quadrennially in their platforms against such a policy. It had become the habit of one party to favor and the other to oppose protection, and a certain mental habit was the result, which had reached a fixedness so unprogressive, that Congress was almost unable to act on any great public question if the element of protection was discovered to be lurking somewhere within its folds. Therefore, nothing was done to improve our merchant marine.

Such a condition was not the result of an "oversight" on the part of President Wilson. When the Democratic party in 1912 notified him of his nomination for the Presidency, he called the attention of the party then to this great need, and he was deeply in earnest when he declared that, "without a great merchant marine we cannot take our rightful place in the commerce of the world."

"Merchants," he said, "who must depend upon

the carriers of rival mercantile nations to carry their goods to market are at a disadvantage in mercantile trade too manifest to need to be pointed out; and our merchants will not long suffer themselves—ought not to suffer themselves—to be placed at such a disadvantage. Our industries have expanded to such a point that they will burst their jackets if they cannot find a free outlet to the markets of the world; and they cannot find such an outlet unless they be given ships of their own to carry their goods—ships that will go the routes they want them to go—and prefer the interests of America in their sailing orders and their equipment."

He was arguing then for a preparedness that would make America supreme in the commercial world. But there was another reason why he urged the Democratic party to think seriously of this matter.

"The very fact that we have at last taken the Panama Canal seriously in hand and are vigorously pushing it toward completion is eloquent of our reawakened interest in international trade. We are not building the canal and pouring out millions upon millions upon its construction merely to establish a water connection between the two coasts of the continent,

important and desirable as that may be, particularly from the point of view of naval defense. It is meant to be a great international highway. It would be a little ridiculous if we should build it and then have no ships to send through it. There have been years when not a single ton of freight passed through the great Suez Canal in an American bottom, so empty are the seas of our ships and seamen. We must mean to put an end to that kind of thing or we should not be cutting a new canal at our very doors merely for use of our men-of-war. We shall not manage the revival by the mere paltry device of tolls. We must build and buy ships in competition with the world. We can do it if we will but give ourselves leave."

When these words were uttered, however, they had little, if any, effect upon the public mind. The people were thinking of the tariff, and the currency, and trusts, and monopolies. The Republican party was in favor of a merchant marine, but it would establish it by means of subsidies. The Democratic party was in favor of a merchant marine, but a part would have private individuals spend their own money for it, while another part would have the Government go into the business and own and operate vessels of its own. Thus between

"subsidies" and "socialistic" schemes of governmental ownership, the Fathers stood still, and when the great war came, the advice of the leading statesmen, from George Washington to Woodrow Wilson, arose as a protest against the conduct of political parties and the inactivity of American business; for a nation of a hundred million people was without ships with which to move its goods, keep industry alive, and supply the homes of the world with the necessities of life.

At the outbreak of the war, therefore, immediate action became extremely necessary. Several temporary measures that gave some relief were passed before the Long Congress closed.

The war, however, had affected international trade by creating demands for a new class of goods which America was preeminently prepared to supply. But the few available vessels for this transatlantic trade were loaded almost exclusively with only one class of goods—war supplies—while the products of all the other many industries of America suffered. Even in times of peace America's few vessels could carry only a small per cent of our trade. But now that America had become the great supply nation of the world, a large part of the ships of the world were tied up or destroyed, and America was as helpless to market many of her products as Germany, the blockaded nation, was to receive them. We had to depend, therefore, upon one of the great belligerents, Great Britain, to carry our commerce, and

neutrality was by no means so easy to preserve because of this dependence upon one of the leading nations at war.

So great was the need that the Administration considered establishing a government-owned steamship corporation, and proposed a bill authorizing the creation at once of a corporation, 51 per cent of whose stock should be owned by the United States, for the purchase and operation of merchant vessels. It was proposed that this corporation purchase the German vessels tied up in American waters. But such a protest was raised by the Allies of Europe, on the grounds that this would be supplying Germany with funds to prosecute the war, that the idea was finally abandoned. "It is one of the recognized principles of international law that merchant ships must not pass from the flag of a belligerent to the flag of a neutral, for the mere purpose of avoiding risk or for evasion of such inconveniences as are created by a state of maritime warfare." But there was no danger of this nation's buying foreign vessels. Although extraordinary conditions demanded extraordinary measures, Congress became panicky on the subject of a government-owned shipping corporation, and adjourned leaving this question to be made the leading issue when the next session opened in December.

But how were the wheat, and cotton, and corn, and steel, and munitions of war, and a thousand other articles to be shipped to Europe? Our ships were few and the

risk was great. In the meantime the cotton planters of the South were receiving seven cents for their cotton, stocks and bonds were not even rated, and there was a considerable falling off in the government revenue. The Treasury Department, however, was authorized to create a Bureau of Marine Risk Insurance with power to insure American vessels against the risks of war. But how few American vessels!

The second session of the 63rd Congress assembled December 8, 1914. The Members and Senators had had a little more than a month in which to rest up from the Long Congress and to think over the question of Merchant Marine, a subject, as Mr. Wilson said, "much talked about but little acted upon." Industrial and commercial demoralization was so severe that it was a foregone conclusion before the Senators and Members returned to Washington that Mr. Wilson was planning to make the question of Merchant Marine the important issue of the short session of Congress.

It was no surprise to Congress, therefore, when Mr. Wilson appeared and pushed the need of a merchant marine ahead of military preparedness and every other issue. Senators and Members remembered the bitter fight of the previous session, and when he began speaking, "Ship Subsidy" looked across the hall at "Government Ownership," and each knew that the President was calling the hosts to battle again and that another great fight was scheduled.

"War has interrupted not only the means of trade but also the processes of production," he said. "In Europe it is destroying men and resources wholesale and upon a scale unprecedented and appalling. There is reason to fear that the time is near, if it be not already at hand, when several of the countries of Europe will find it difficult to do for their people what they have hitherto been always easily able to do,—many essential and fundamental things. At any rate, they will need our help and our manifold services as they have never needed them before; and we should be ready, more fit and ready than we have ever been.

It is of equal consequence that the nations whom Europe has usually supplied with innumerable articles of manufacture and commerce of which they are in constant need and without which their economic development halts and stands still, can now get only a small part of what they formerly imported, and eagerly look on us to supply their all but empty markets. This is particularly true of our own neighbors, the States, great and small, of Central and South America. Their lines of trade have hitherto run chiefly athwart the seas, not to our ports but to

the ports of Great Britain and of the older continent of Europe. I do not stop to inquire why, or to make any comment on probable causes. What interests us just now is not the explanation but the fact, and our duty and opportunity is in the presence of it. Here are markets which we must supply, and we must find the means of action. The United States, this great people for whom we speak and act, should be ready, as never before, to serve itself and to serve mankind; ready with its resources, its energies, its forces of production, and its means of distribution."

He then told Congress what each member already knew: that we were totally unprepared "to mobilize our resources at once" and that we were unable "to use them immediately and at their best, without delay and without waste."

"To speak plainly," he said, "we have greatly erred in the way in which we have stinted and hindered the development of our merchant marine. And now when we need ships, we have not got them."

The American people were helpless victims to the rapacity of foreign shipping combines. Therefore, he

was asking Congress to correct its mistake of the past and consider the matter in a serious light.

"How are we to carry our goods to the empty markets of which I have spoken if we have not the ships?" he asked. "How are we to build up a great trade if we have not the certain and constant means of transportation upon which all profitable and useful commerce depends? And how are we to get the ships if we wait for the trade to develop without them? To correct the many mistakes by which we have discouraged and all but destroyed the merchant marine of the country, to retrace the steps by which we have, it seems almost deliberately, withdrawn our flag from the seas, except where, here and there, a ship of war is bidden to carry it or some wandering yacht displays it, would take a long time and involve many detailed items of legislation, and the trade which we ought immediately to handle would disappear or find other channels while we debated the items."

He then touched upon a very delicate question. He told Congress of the subsidies that had been voted to railroads when we needed long lines of railroads.

"We look upon this with regret now, because the subsidies led to many scandals, of which we are ashamed." "However, the roads had to be built," he said, "but if we had to do it over again, we should of course build them, but in another way." And then he proposed another way of providing means of transportation: "The pending shipping bill which was discussed at the last session, but as yet has been passed by neither house."

"In my judgment," he said, "such legislation is imperatively needed and cannot wisely be postponed. The Government must open these gates of trade, and open them wide; open them before it is altogether profitable to open them, or altogether reasonable to ask private capital to open them at a venture. It is not a question of the Government monopolizing the field. It should take action to make it certain that transportation at reasonable rates will be promptly provided, even where the carriage is not at first profitable; and then, when the carriage has become sufficiently profitable to attract and engage private capital, and engage it in abundance, the Government ought to withdraw. I very earnestly hope that the Congress will be of this opinion,

and that both Houses will adopt this exceedingly important bill.''

But Congress did not take the President's view point. Their minds could not possibly get away from ''subsidies'' and ''government ownership.'' They would neither accept the President's program nor suggest a better one. Since the government-managed idea was so objectionable, Mr. Wilson modified his first bill and advocated purchasing ships and leasing them to individuals or to corporations. He consulted commercial companies and captains of industry; he reasoned with Congressmen and Senators, and suggested alterations. The House acted promptly, but the Senate was stubborn. The President was in favor of a bold policy—one that would equip this country with merchant ships. But they were afraid of his boldness.

Soon it became apparent that a partisan fight was being made against his plan to relieve the congestion in this country. There were rumors afloat that certain senators were determined to defeat his measure at all hazards, even if they had to talk it to death. Not since the lobbyists were so active against the tariff bill had the President shown so much feeling. He was the guest of the Jackson Club of Indianapolis, January 8, and in his address that evening he took the opportunity to pay his respects to the Senators who were openly plotting to defeat the Merchant Marine bill, and, then,

he restated a part of his reasons for advocating so strongly the bill that was drawn to give America adequate shipping facilities.

"Do you know, gentlemen," he said, "that the ocean freight rates have gone up in some instances to ten times their ordinary figures, and that the farmers of the United States, those who raise grain and those who raise cotton—these things that are absolutely necessary to the world as well as to ourselves—cannot get any profit out of the great prices that they are willing to pay for these things on the other side of the sea because the whole profit is eaten up by the extortionate charges for ocean carriage? The merchants and farmers of this country must have ships to carry their goods, and just at the present moment there is no way of getting them except through the instrumentality of the Shipping Bill."

However, as the debate dragged along, the opposition was more determined than ever, and on the first real test, a deadlock in the Senate, 48 to 48, was the result. Day after day friends of the measure sought to break the deadlock. Immediate relief was demanded since Congress would expire by limitation on March 4. Therefore, the President did not have the months before him

in which to exercise that patience that was his tower of strength in the old fight on the tariff and the currency. The Senate balked, and again the vote was 48 to 48. Then the 4th of March came, and Congress adjourned, having done little to relieve the distress.

Mr. Wilson did not cease to agitate the question and to inform the public of the cause of much of the business depression. But many people were still hostile to his policy on the ground that it was "socialistic."

When the Pan-American Conference met in Washington in May, 1915, the delegates from the Latin American Republics were welcomed to the Capitol of the United States by the President. In his address he referred to the greatest obstacle in the way of forming a great Pan-American Union.

"There is one thing," he said, "that stands in our way. You are more conversant with the circumstances than I am. The thing that I have in mind chiefly is that physical lack of means of communication, the lack of vehicles, the lack of ships, the lack of established routes of trade, the lack of those things which are absolutely necessary if we are to have true commercial relations with one another; and I am perfectly clear in my judgment that, if private capital cannot soon enter upon the adventure of estab-

lishing these physical means of communication, the Government must undertake to do so."

Again the press retorted that Mr. Wilson was urging his "socialistic" schemes before the people. However, what he said was: if private capital cannot bring the needed relief, "The Government must undertake to do so;" and he was talking to a people who had been in the habit of getting American goods by way of Liverpool. But the Senate was not in favor of the Government's undertaking the job, and private capital was yet timid.

By early summer it was apparent that American business was becoming bolder than formerly. The large demand for shipping facilities was coaxing some of the timid capital into a merchant marine and by July 1, 1915, there were "seventy-six steel merchant ships building in American ship yards" and by December 1, one hundred and twenty-six were ordered, "making a total tonnage building of 761,511." However, only about 20 per cent of these new ships were for foreign trade, the remainder being coast-wise vessels.

Many of these were built to take the place of old craft drafted into foreign trade, while others were being constructed in a manner to enable them to cross the seas if occasion should arise. However, not all the vessels under construction were for American ship owners. Many of them were for neutral European nations. But never before had American ship yards been so busy. This

renewed activity was an argument advanced against the administration's program.

In the meantime this nation had suffered in prestige from a decline in commerce, in revenue, in agricultural profits, and in industry. Mr. McAdoo, Secretary of the Treasury, in an address delivered before the Chamber of Commerce of Indianapolis, Indiana, on October 13, 1915, spoke very plainly of the loss to this country as a result of this great neglect, or oversight, or whatever it was called.

"This measure (the President's shipping bill) would have been of inestimable service to the country had it passed," he said, "because there was a superabundance of purchasable ship tonnage which could have been bought at that time and used with immense benefit to American commerce during the past year."

But, he declared,

"American business has paid dearly for the defeat of that measure. I am sure that the increased and extortionate freight rates paid by our defenseless producers and shippers in the past 12 months have exceeded several times the $40,000,000 which the shipping bill authorized the Government to expend on merchant vessels. But this is only a small part of the injury. Grave losses have been sustained by our business men because they could not ship at all. Take lumber and manufacturers of wool as an example. For the fiscal year 1914 our exports of these products were, in round numbers, $99,000,000; for

the fiscal year 1915 they were, in round numbers, $48,000,000, a decline of $51,000,000. This was due almost entirely to the lack of ships and prohibitory ocean rates.

Take coal as another instance. In the face of the most extraordinary demand for our coal from Spain, Italy, France, Argentina, and South America, our total exports of coal for the fiscal year 1915 were, in round numbers, $56,000,000, against $60,000,000 for 1914—showing a decline of $4,000,000 in the face of the greatest demand in our history for our coal for foreign consumption. France alone needs 40,000,000 tons of coal the next year. We could supply it if we had the vessels. Think of the stimulus to our coal and lumber industries and the profitable employment it would give to labor if we had supplied the ships to secure this foreign trade for our producers. I could multiply instances, but it is unnecessary. . .

"For the past year, because of the lack of American ships and the scarcity of ocean tonnage generally, ocean freights in the Atlantic have been extortionately high. The normal rate of 4 cents per bushel for grain from New York to Liverpool has been increased to 40 cents per bushel. I do not have to argue with any intelligent farmer that he gets less for his grain on the farm when it costs 40 cents per bushel to ship it from New York to Liverpool than when it costs only 4 cents per bushel for the same service. The cotton producer in the South has

suffered in greater degree. Ocean freight rates on cotton have gone as high as $15 per bale from Galveston to Europe, as against $2.50 per bale prior to the European war.

"Our farmers, because they produce the bulk of our wealth as well as the bulk of our exports, ought to be protected against extortionate ocean freight rates, and ought to have the assurance of sufficient steamship service and reasonable rates to secure fair treatment and enable them at all times to compete in the open markets with their rivals in the other great farm producing regions of the world."

After a year of war it was becoming very clear to many thoughtful men in both parties, that, even if private corporations should in the end supply the business of this country with sufficient ships to handle its foreign commerce, our shipping problems would by no means be solved. The war had taught this nation one great lesson; namely, that either the government should own an adequate number of vessels, or should have such a control of merchant marine companies that this nation would not be embarrassed in times of war and the business of the country could not be injured at the will of shipping companies. The Secretary of the Treasury was pleading in his Indianapolis address for a regulation of our ocean carriers similar to that of our railroads, and he cited the conduct of the Pacific Mail Steamship Company.

"Here is a company," he said, "which has operated a service between San Francisco and the Orient for many years. Our business men, manufacturers, and producers have built up great trade interests with the Orient upon the faith of this service. All of a sudden, without adequate notice, and with utter indifference to the injuries that might be done to shippers and the interests of this country, the Pacific Mail Steamship Company sells its ships and announces that it will discontinue its service. Suppose that the directors of the Union Pacific Railroad Company should decide that they could make more money for their stockholders by tearing up the rails of their tracks and selling them and their locomotives and cars to some belligerent government, because that belligerent government is willing in time of war to pay fabulous prices therefor, what do you suppose the indignant people along the line of this railroad would do to the officers and directors of that company? No common carrier on land would be permitted to do such an arbitrary and injurious thing as our common carriers on the high seas may at any time do with impunity.

"The Pacific Mail people claim that the passage of the Seamen's Bill forced them to discontinue business. I am told that the Seamen's Bill was not the mainspring for the transfer of the Pacific Mail vessels. The Panama Canal act, which denied railroads owning competitive steamship lines the right to operate them through the canal, and the fact that present abnormal rates for cargo

space on the Atlantic, which made it possible for the Pacific Mail to sell its ships at more than their real value, was, I understand, the true cause of their sale."

Mr. McAdoo gave figures to prove that "weight and measure freight" between the Pacific and the Orient had increased 200 per cent and that more freight was offered at even these figures than steamship companies could take. Notwithstanding these conditions, freight was piled up at the ports to lie there from "six to eight months" because of the lack of adequate shipping facilities.

The discussion of this question continued all summer and fall. Our commercial preparedness was thoroughly gone into, and many people became informed who had never given the matter any consideration. The action of the Pacific Mail Steamship Company in discontinuing its service created another issue: Should a well-established line be permitted to alter its course so as to destroy the business that had been built up as a result of the establishment of such lines?

The campaign for military and naval preparedness had created another issue: Should the American navy have ready at its disposal merchant vessels so constructed as to render essential service to battleships in time of war? Mr. McAdoo declared that "it is a fact, and every naval expert will so testify, that a merchant marine naval auxiliary is just as essential to the effectiveness of the navy, considered as a complete fighting machine, as the guns upon the decks of our battleships and the seamen upon

whose skill and valor the effectiveness of these guns depends." This is true because battleships at sea must be furnished with coal, provisions, and supplies of all kinds. But in this country (at the outbreak of the European war) individuals and corporations combined, owned only about 8 per cent of the number of vessels required to carry American commerce even in times of peace, to say nothing of our extra demand in times of war.

The need of merchant vessels as auxiliaries to the battleships and cruisers had been recognized for a number of years. The Spanish American War brought this question home to the people of the United States, at a time when this nation met with many difficulties and sustained considerable financial loss in securing ships for transporting troops to Cuba. This argument was brought out anew in the discussion of the problem in the summer of 1915.

When the 64th Congress convened, December 7, it was quite evident that other great issues created or brought to the front by the war were intimately related to the merchant marine. Military preparedness, commercial preparedness, and a greater Pan American Union were all dependent upon it. The new legislative program embraced measures that would require the greatest wisdom and patriotism in order to adjust them to the pressing needs of the people.

At the opening of Congress, therefore, Mr. Wilson

again urged that body to enact an adequate shipping law. He had said that he would not hold to his opinions if a better way for improving the poor shipping facilities could be shown. "But," he declared, "it is the best way to do it until you show a better one." And since no better way had been advanced, the growing demand for better shipping facilities was giving support to his contention that the country needed that shipping bill.

"It is necessary," he said, "for many weighty reasons of national efficiency and development, that we should have a great merchant marine. The great merchant fleet we once used to make us rich, that great body of sturdy sailors who used to carry our flag into every sea, and who were the pride and often the bulwark of the nation, we have almost driven out of existence by inexcusable neglect and indifference and by a hopelessly blind and provincial policy of so-called economic protection. It is high time we repaired our mistake and resumed our commercial independence on the seas.

"For it is a question of independence. If other nations go to war to seek to hamper each other's commerce, our merchants, it seems, are at their mercy, to do with as they please. We must use their ships, and use them as they

determine. We have not ships enough of our own. We cannot handle our own commerce on the seas. Our independence is provincial, and it is only on land and within our own borders. We are not likely to be permitted to use even the ships of other nations in rivalry of their own trade, and are without means to extend our commerce even where the doors are wide open and goods desired. Such a situation is not to be endured. It is of capital importance not only that the United States should be its own carrier on the seas and enjoy the economic independence which only an adequate merchant marine would give it, but also that the American hemisphere as a whole should enjoy a like independence and self-sufficiency, if it is not to be drawn into the tangle of European affairs. Without such independence the whole question of our political unity and self-determination is very seriously clouded and complicated indeed.

"Moreover, we can develop no true or effective American policy without ships of our own—not ships of war, but ships of peace, carrying goods and carrying much more; creating friendships and rendering indispensable services to all interests on this side of the water. They are the

only shuttles that can weave the delicate fabric of sympathy, comprehension, confidence, and mutual dependence in which we wish to clothe our policy of America for Americans.

"The task of building up an adequate merchant marine for America private capital must ultimately undertake and achieve, as it has undertaken and achieved every like task among us in the past with admirable enterprise, intelligence, and vigor, and it seems to me a manifest dictate of wisdom that we should promptly remove every legal obstacle that may stand in the way of this much-to-be-desired revival of our old independence, and should facilitate in every possible way the building, purchase, and American registration of ships. But capital cannot accomplish this task of a sudden. It must embark upon it by degrees, as the opportunities of trade develop.

"Something must be done at once; done to open routes and develop opportunities where they are as yet undeveloped; done to open the arteries of trade where the currents have not learned to run—especially between the two American continents, where they are, singularly enough, yet to be created and quickened; and it is evident

that only the government can undertake such beginnings and assume the initial financial risks. When the risk has passed and private capital begins to find its way in sufficient abundance into these new channels, the Government may withdraw. But it cannot omit to begin. It should take the first steps, and should take them at once. Our goods must not lie piled up at our ports and stored upon side tracks in freight cars which are daily needed on the roads; must not be left without means of transport to any foreign quarter. We must not await the permission of foreign shipowners and foreign Governments to send them where we will.

"With a view to meeting these pressing necessities of our commerce and availing ourselves at the earliest possible moment of the present unparalleled opportunity of linking the two Americas together in bonds of mutual interest and service, an opportunity which may never return again if we miss it now, proposals will be made to the present Congress for the purchase or construction of ships to be owned and directed by the Government similar to those made to the last Congress, but modified in some essential particulars. I recommend these proposals to you for

your prompt acceptance with the more confidence because every month that has elapsed since the former proposals were made has made the necessity for such action more and more manifestly imperative. This need was then foreseen; it is now acutely felt and everywhere realized by those for whom trade is waiting but who can find no conveyance for their goods. I am not so much interested in the particulars of the program as I am in taking immediate advantage of the great opportunity which awaits us if we will but act in this emergency. In this matter, as in all others, a spirit of common counsel should prevail, and out of it should come an early solution of this pressing problem."

The President was still concerned for an immediate relief. But the leading newspapers of the country seemed to be satisfied with the progress of private corporations, and it is true that they were making tremendous progress. But the President's program embraced considerably more than the mere moving of piled up goods from American ports. He was pleading for a merchant marine that would make America supreme on the high seas and would take the world for our trade unit. Moreover, he saw the necessity of hastening the Pan-American Union and of making the trade lines

strong between the two western continents and he was asking for a merchant marine under the control or ownership of the nation that would establish permanent lines of trade, and would offer at the same time a naval auxiliary that would be our safety in times of war between this nation and any other strong country.

It was pointed out by Mr. Redfield, the Secretary of Commerce, that Great Britain was using about three thousand merchant ships simply as attendants upon her own fleet, and without them her great navy would be helpless. He estimated that if we had to use our navy on the seas today, about nine hundred merchant ships of all kinds would be required for supply service.

In January Mr. Wilson held repeated conferences with Senators and Members—with those who favored the old bill, and then with those who opposed it. A new bill was drawn which met the approval of many who had opposed the old bill. The one feature in the old bill that was so objectionable to many Members and Senators and that caused the deadlock in the Senate was the Government ownership feature. The new bill so modified that section as to eliminate the possibility that the Government might enter permanently into the shipping business, and provided also that the naval auxiliaries might be leased to shipping companies when not demanded for immediate use of the navy.

Mr. Wilson had said that he was not "so much interested in the particulars of the program as I am in taking

immediate advantage of the great opportunity which awaits us.'' And now that the agreement had been reached, he insisted that the bill should be enacted as soon as possible.

So many things had to be done in order to project this nation forward into this new and extraordinary era, and Congress seemed to be moving so slowly, too slowly, for the welfare of the nation, that the President carried the issues to the people. Military preparedness was only one of the great problems that he discussed for the enlightenment of the people. Commercial preparedness, industrial preparedness, educational preparedness, the need of a Pan-American Union, and a new interpretation of the Monroe Doctrine—all were discussed. In other words, he was blazing out new paths into the future and calling upon Congress to follow. He was imperative for this nation to spring forward with energy and prepare for changes which ''no one can certainly foresee or confidently predict.''

It was predicted that the bill so modified would be enacted without delay. However, the renewal of the submarine warfare by Germany, England's attitude toward our commerce, the preservation of the Monroe Doctrine, and the revolution in Mexico brought military preparedness to the front, and in spite of the great demand for a merchant marine it now had to take second place.

However, President Wilson would not let it sleep in

the committee room. During the month of March he began to urge the committees to push the bill, and early in April he wrote to Mr. Claud Kitchin, the Democratic Leader of the House:

"It would seem as if the whole movement for our trade and industry waited a satisfactory solution of our problem of transportation. That is the reason why it seems to me that the shipping bill should be pressed to an early passage."

Again it was pointed out that we were dependent upon Great Britain for the carriage of the greatest part of our commerce; that we were paying more than $300,000,000 to foreign steamship companies to carry American commerce to the markets of the world; that if we were to press into service all the available merchant vessels as naval auxiliaries, we would still lack about 500,000 tons "to meet the needs of our navy as it stands today, without allowing for growth;" that we were unable at present to seek foreign trade in new fields without relying upon foreign vessels to carry our goods; and that we had no shipping board with sufficient power to regulate shipping rates and practices and establish and adjust rules of navigation. Therefore, Congress was urged to pass the bill.

Early in June, after the Senate and House had disposed of the Army Reorganization Bill, the Shipping Bill

passed the House. It contained provision for a shipping board, the purchase or construction of vessels suitable to the commercial requirements of the marine trade of the United States, and "for use as naval auxiliaries or army transports, or for other naval or military purposes."

Moreover, it was provided that the Board, if it believes that actual operation of ships by the Government is needed, may form a corporation with a capital stock not exceeding $50,000,000, and the Government through the Board may own and control "not less than a majority" of the capital stock.

This feature defeated the bill before. But in order to make it less objectionable and win the support of certain Senators and Members it was so modified as to limit the government's ownership of the vessels to a term not longer than "five years from the conclusion of the present European war."

Congress had already waited too long. The tonnage, owing to losses by the war and the use of merchant vessels as naval auxiliaries, had been reduced almost fifty per cent. There were not enough ships available to carry the world's trade, and America suffered because the United States was the great supply nation. The allies were now willing for the United States to buy the interned vessels of Germany and Austria. But those nations were not disposed to sell. It is said that freight was so high in the spring of 1916 that "ships are paying

their cost in one voyage," and the demand was so great that vessels were selling at four times their former book value. It was claimed, furthermore, that every shipyard in the world was booked ahead for four years. Such were the conditions when the House a second time sent its Shipping Bill to the Senate.

CHAPTER XX

THE NEED OF INDUSTRIAL PREPAREDNESS

The one distinct purpose that President Wilson had at the beginning of his administration was "to set the business of the country free—hence the new tariff, the Federal Reserve Act, the Anti-Trust Laws and Government regulation of business by Commission. But when this great program was begun the world was at peace, and the needful thing to be done was to restore the rule of right and justice in the nation. However, eighteen months after the outbreak of the war America had become first as the supply nation of the world, a new era was at hand, and President Wilson declared that "our thought is now inevitably of new things about which formerly we gave ourselves little concern. We are now thinking chiefly of our relations with the rest of the world."

American business, however, had not yet formed the concept of the world as a trade unit. That was perhaps due, for the most part, to the fact that America is a young nation, and our resources are so vast, that from the time of the Declaration of Independence to the present our business men have been engaged in developing the re-

sources at hand, rather than in seeking new fields abroad. The great combinations and corporations that the people complained of drew their wealth from exploiting the resources of this continent for the use of a comparatively few individuals. No other nation produced so much per capita wealth within its own borders.

It is well known today that Great Britain is mistress of the seas and her industries touch every nation of every continent of the globe. But England's land has been in the hands of enlightened people for many centuries. The territory of England and Wales is about the size of North Carolina but her population is about 40,000,000, or nearly one-half the population of Continental United States. It was necessary for other countries to furnish resources for the inhabitants of England to develop. Such conditions made the Englishman cosmopolitan commercially. However, the United States had more resources than her own inhabitants could develop within a century. There was no necessity apparently for Americans to seek opportunities in other lands. Therefore, Americans, with a few exceptions, became provincial commercially.

Notwithstanding these facts our business men have been short sighted. The lack of a merchant marine was a striking evidence of our short-sightedness, and the neglect of our bankers to establish banks in foreign countries to meet the demands of an international currency or foreign exchange was a proof of our provincialism. Therefore, it was not enough to set business free in the

nation. It was necessary to project it forward in the world so that it might lose its provincialism, that it might have a better perspective, and that it might be able to form the necessary concept of the world as our trade unit. For this great opportunity American business needed to find its second wind.

Even before the outbreak of the war the great industrial organizations, instead of keeping large numbers of paid lobbyists at the door of Congress as of old, were learning to go openly and direct to the White House for advice. The safest way to the heart of Congress was found to be through the White House.

Moreover, after the outbreak of the war, the large industrial organizations seemed to have adopted the policy of meeting in Washington in order to have the counsel of the Administration. Every phase of our industrial life felt the need of sympathy and the moral support of the people. How to mobilize our resources for this new opportunity was the great problem.

The American Electric Railway Association met in Washington, January 29, 1915; President Wilson was its guest and he assured its members that "we are upon the eve of a new era of enterprise and prosperity." Although subsequent events have proved that the President knew what he was talking about, captains of industry shook their heads, and the press in many sections of the country asked to be shown the proof of his statement. Many men besides the President, however, were

aware of this fact, that unless the business of the country could get more life and courage into it, the European war would really be disastrous to America. The President, therefore, took this opportunity to arouse the business men of the nation:

"Enterprise," he declared, "has been checked in this country for almost twenty years, because men were moving among a maze of interrogation points. They did not know what was going to happen to them. All sorts of regulations were proposed, and it was a matter of uncertainty what sort of regulation was going to be adopted."

He then directed the attention of the business men of the country to the future and to the pressing needs growing out of the war. He urged them to go forward. "Nobody henceforth," he said, "will be afraid of or suspicious of any business merely because it is big." The new Anti-trust laws had marked out the way for business and the Federal Trade Commission stood ever ready to point out the pitfalls, and there was no reason why "the mists and miasmic airs of suspicion that have filled the business world have not been blown away."

Moreover, he assured the people of this country that no individual or enterprise is going "to be barred from the contest" because it is big and strong and no one is "going to be penalized because you are big and strong."

President Wilson believed that American business should take the world for its parish and that the directors of American business should take courage and launch forward into these many new fields. He was greatly concerned now over dispelling all suspicions, and this address had considerable effect. Although it contained little that was new, it was now delivered at the psychological moment. It was what business men wanted to hear, for they wanted to launch forward now as much as they did not want to when the anti-trust bills were before the Congress.

A new temper seemed to be noticeable everywhere. There was a return of business activity. The war orders were giving new life to trade, and America was just beginning to adjust itself to the new conditions and to look to the future. The President's words, therefore, were encouraging.

While this address was still fresh in the minds of the people, another great business carried its National Association to Washington. This was the United States Chamber of Commerce which assembled at the Capitol on February 3. The President was its guest likewise, and he had reserved for that occasion a declaration which was in some respects more important, perhaps, than any other that he had delivered. Just before the outbreak of the European war he stood in Independence Hall, Philadelphia, and declared that "liberty does not consist in mere general declarations of the rights of

man. It consists in the translation of these declarations into definite action." And in this address he gave a liberal translation of former declarations meet for present action. The times demanded it, and his patriotism prompted it. After discussing the many ways that the Government of the United States was aiding and could aid the people, he drove straight to the mark and literally astonished the industrial world and the entire nation by his frank utterances, coming as they did so soon after the passage of the anti-trust laws.

"There is a specific matter about which I, for one, want your advice," he began. "Let me say, if I may say it without disrespect, that I do not think you are prepared to give it right away. You will have to make some rather extended inquiries before you are ready to give it.

"What I am thinking of is competition in foreign markets as between the merchants of different nations. I speak of the subject with a certain degree of hesitation, because the thing farthest from my thought is taking advantage of nations now disabled from playing their full part in that competition and seeking a sudden selfish advantage because they are for the time being disabled. Pray, believe me, that we ought to eliminate all that thought from our minds

and consider this matter as if we and the other nations were in the normal circumstances of commerce.''

The anti-trust laws had one great purpose—to destroy monopoly in America and restore competition. However, when American business began to wake up to the possibilities of foreign trade, it was discovered that the anti-trust laws in providing for competition at home, seemed to make it impossible for American business to combine and compete with foreign business. This was the point that the President was coming to in his address.

''There is a normal circumstance of commerce,'' he said, ''in which we are apparently at a disadvantage. Our anti-trust laws apparently—I say apparently, because I see the Attorney General is present, and I am not sure I am right—the anti-trust laws of the United States apparently make it illegal for merchants in the United States to form combinations for the purpose of strengthening themselves in taking advantage of the opportunities of foreign competition.

''That is a very serious matter, for this reason: There are some corporations, and some

firms for all I know, whose business is great enough and whose resources are abundant enough to enable them to establish selling agencies in foreign countries, to enable them to extend the long credits which in some cases are necessary in order to keep the trade they desire; which enables them in other words, to organize their business in foreign territory in a way which the smaller man cannot afford to do. His business has not grown big enough to permit him to establish selling agencies. The export commission merchants, perhaps, tax him a little too high to make that an available competitive means of conducting and extending his business.

"The question arises, therefore, how are the smaller merchants, how are the younger and weaker corporations, going to get a foothold as against the combinations which are permitted and even encouraged by foreign governments in this very field of competition? There are governments which, as you know, distinctly encourage the formation of great combinations in any particular field of commerce in order to maintain selling agencies and to extend long credits and to use and maintain the machinery which is necessary for the extension of business.

"American merchants feel that they are at a very considerable disadvantage in contending against that. The matter has been many times brought to my attention, and I have each time suspended judgment, because in this matter 'I am from Missouri,' and I want to be shown this: I want to be shown how that combination can be made and conducted in a way which won't close it against the use of everybody who wants to use it. A combination has a tendency to exclude new members.

"When a group of men get control of a good thing, they do not see any particular point in letting other people into the good thing. What I should like very much to be shown, therefore, is a method of cooperation which is not a method of combination—not that the two words are mutually exclusive, but we have come to have a special meaning attached to the word 'combination.' Most of our combinations have a safety lock, and you have to get the combination to get in. I want to know how these cooperative methods can be adopted for the benefit of everybody who wants to use them, and I say frankly, if I can be shown that, I am for them. If I cannot be shown that, and I hasten to add that I

hope—fully expect—that I can be shown that, I am against them. You, as I have just now intimated, probably cannot show it to me off hand, but, by the method that you have the means of using, you certainly ought to be able to throw a vast deal of light upon it."

The President very frankly told the business men of the nation that "our anti-trust laws apparently" place our merchants at a disadvantage in competing with European business in foreign fields. Merchants had discussed the matter many times with him, and he was aware of the fact that business men really felt that they were "at a very considerable disadvantage."

The foreign business of all nations has been practically made over within the past two decades, during which time American business has been in sharp conflict with the American government, not with foreign business, and many men had reached the conclusion that the conflict (sometimes it was called persecution) was due to the government's fear of the size of business rather than to the methods of business. But when the European war threw the burden of the world's business on the shoulders of Americans, it was readily seen that our domestic policy was insufficient, and that the old laws must be modified so that American shoulders could bear the burden. Either this, or we must remain provincials. If necessary, the tariff laws and the anti-trust laws should

be so amended as to make it possible for American business to compete with foreign business, not merely to cover the period of the present great war, but especially to be prepared to do at least the part of a great nation in the world's business at the close of the war. The anti-trust laws that were framed to restore competition in America were needful. But they must now be so shaped that America could compete fairly with the rest of the world.

When this address was delivered, President Wilson was completing the first half of his administration. We were then in the midst of world affairs of such magnitude that old rules were inadequate and new adjustments were very necessary, and he was declaring that he was willing to start any readjustments if he could be shown the right way. It fired his patriotism to think of Americans leading in the world's business, and he became impatient when he beheld what seemed to him to be the indifference of Americans to the great opportunity.

The 63d Congress came to a close on March 4, 1915. Military preparedness, commercial preparedness and industrial preparedness were the great issues that were coming before the nation. But there was to be no more legislation for nine months. Meanwhile, the industrial life was on the rebound. An unusual buoyancy was noticeable everywhere. The Department of Commerce was maintaining traveling specialists abroad to study foreign tariffs and foreign trade, and

Mr. Redfield, the Secretary of Commerce, working in cooperation with commercial organizations in America, was seeking to direct American business into foreign fields. However, he learned what Mr. Wilson had feared, that "the present law plays into the hands of the larger concerns and shuts out smaller ones from important markets" and Mr. Redfield advised that "provisions should be made whereby such concerns may, with due safeguards against monopoly, cooperate in the foreign field. To refuse this for fear of monopoly is to say that the larger concerns shall alone hold the lucrative foreign markets and that the far larger number of smaller houses shall be shut out." Moreover, it was a growing conviction that even the large concerns would not be able to compete successfully with European business unless the laws of America were so modified as to place American business on an equal footing with European business.

America now had little competition, to speak of, and the volume of American foreign business was limited to the capacity of the carrying vessels of the seas. But when peace should come, and the war orders were all stopped, and the nations of Europe should re-enter the world's commerce with their advantageous laws to aid them, the President and the business men of this nation felt that America should be prepared for the emergency. Therefore, industrial preparedness had become a real issue when the 64th Congress convened on December 7,

1915. President Wilson, then, very frankly told Congress that the time had come for America to mobilize her resources.

"While we speak of the preparation of the nation to make sure of her security and her effective power," he said, "we must not fall into the patent error that her real strength comes from armaments and mere safeguards of written law. It comes, of course, from her people, their energy, their success in their undertakings, their free opportunity to use the natural resources of our great home land and of the lands outside our continental borders which look to us for protection, for encouragement, and for assistance in their development; from the organization and freedom and vitality of our domestic life. The domestic questions which engaged the attention of the last Congress are more vital to the nation in this its time of test than at any other time. We cannot adequately make ready for any trial of our strength unless we wisely and promptly direct the force of our laws into these all-important fields of domestic action. A matter which it seems to me we should have very much at heart is the creation of the right instru-

mentalities by which to mobilize our economic resources in any time of national necessity."

He then spoke of his authority to "call into systematic consultation" men of recognized leadership to bring about prompt cooperation of manufacturers and those who possess technical skill in order to aid the Government in the solution of particular problems of defense. But he added:

"What is more important is, that the industries and resources of the country should be available and ready for mobilization. It is the more imperatively necessary, therefore, that we should promptly devise means for doing what we have not yet done: that we should give intelligent federal aid and stimulation to industrial vocational education, as we have long done in the large field of our agricultural industry; that, at the same time that we safeguard and conserve the natural resources of the country we should put them at the disposal of those who will use them promptly and intelligently, as was sought to be done in the admirable bills submitted to the last Congress from its committees on the public lands, bills which I earnestly recommend in principle to your consideration; that we should put

into early operation some provision for rural credits which will add to the extensive borrowing facilities already afforded the farmer by the Reserve Bank Act, adequate instrumentalities by which long credits may be obtained on land mortgages; and that we should study more carefully than they have hitherto been studied the right adaptation of our economic arrangements to changing conditions.

"Many conditions about which we have repeatedly legislated are being altered from decade to decade, it is evident, under our very eyes, and are likely to change even more radically and more rapidly in the days immediately ahead of us, when peace has returned to the world and the nations of Europe once more take up their tasks of commerce and industry with the energy of those who must bestir themselves to build anew. Just what these changes will be no one can certainly foresee or confidently predict. There are no calculable, because no stable, elements in the problem. The most we can do is to make certain that we have the necessary instrumentalities of information constantly at our service so that we may be sure that we know exactly what we are dealing with when we come to act, if it

should be necessary to act at all. We must first certainly know what it is that we are seeking to adapt ourselves to."

America was so affected by the war that it was exceedingly difficult for the people of this nation to take a clear perspective of any important policy. Business was full of energy, but it seemed to be unable to project itself *in medias res.* Apparently it was content to handle the business that came to our shores; and, to be sure, that was enormous. At the same time the conditions presented a gloomy outlook to those who were students of economic forces. Our balance of trade was enormous. But even a balance of trade might be an evil. Moreover, the nation was making little preparation to protect our markets against a fierce foreign competition at the end of the war, and business was slow to venture from our shores. This gloomy outlook caused the President, therefore, to take the whole matter to the people. A few days after he delivered the above message to Congress, he was the guest of the Chamber of Commerce of Columbus, Ohio (December 10) and, there, he spoke, again, some very plain words to the business men of America.

He referred briefly to the history of American commerce and then said: "We seem deliberately to have chosen to be provincial, to shut ourselves in upon ourselves, to exploit our own

resources for our own benefit rather than for the benefit of the rest of the world, and we did not return to address ourselves to foreign commerce until our domestic development had so nearly burst its jacket that there was no straightjacket in which it could be confined."

Then he spoke of the crying need for an outlet into the currents of the world. But he said there was something more to be done than to modify the anti-trust laws. American business must have a new spirit. It must lose its provincialism.

"Until the recent banking act," he said, "you could not find, so far as I am informed, a branch of an American bank anywhere outside of the United States, whereas other nations of the world were doing their banking business on foreign shores through the instrumentality of their own bankers. I was told at a meeting of the American Bankers Association that much of the foreign banking business, the business in foreign exchange, had to be done in our ports by branches of Canadian banks established among ourselves. Being literalists, we interpreted the national banking act to mean, since it did not say that the national banks could engage in this business,

that they could not engage in it, and some of the natural, some of the necessary functions of banking were not performed by American bankers.

"I refer to this merely as an evidence of what I take to call our provincialism. Moreover, during this period this very interesting thing has happened, that American business men were so interested to be protected against the competition of other business men in other countries that they proceeded by organization to protect themselves against each other and engaged in the politics of organization rather than in the statesmanship of enterprise."

He then spoke of the value of organization in business. But he said that the only legitimate object of organization is efficiency. Any other makes it illegal. He then directed the attention of his hearers to the future.

"It looks as if we would be the reserve force of the world," he said, "in respect to financial and economic power. It looks as if in the days of reconstruction and recuperation which are ahead of Europe we would have to do many of the things, many of the most important things which have hitherto been done through European instrumentalities. No man can say just how

these matters are going to shape themselves, but every man can see that the opportunity of America is going to be unparalleled and that the resources of America must be put at the service of the world as they were never put at its service before.

"Therefore, it is imperative that no impediments should be put in the way of commerce with the rest of the world. You cannot sell unless you buy. Commerce is only an exalted kind of barter. The bartering may not be direct, but directly or indirectly it is an exchange of commodities and the payment of the balances; and, therefore, there must be no impediments to the free flow of the currents of commerce back and forth between the United States, upon which the world will in part depend, and the other countries which she must supply and serve."

It might be necessary to modify the anti-trust laws and it might be wise to establish a tariff board. But whatever step was necessary, he wanted this nation to take it. However, it did have one instrumentality in the new banking law "such as this has never had before for the ebb and flow and free course of the national process of credit." And he added "for the first time we are not bound up in an inelastic currency. Our credit

is current and that current will run through all the channels of commerce in every part of the world."

"America now may take peaceful conquest of the world," he concluded, "and I say that with all the greater confidence, gentlemen, because I believe, and hope that the belief does not spring merely from hope, that when the present great conflict in Europe is over, the world is going to wear a different aspect. I do not believe that there is going to be any patched-up peace. I believe that thoughtful men of every country and of every sort will insist that, when we get peace again, we shall have guarantees that it will remain, and that the instrumentalities of justice will be exalted above the instrumentalities of force. I believe that the spirit which has hitherto reigned in the hearts of Americans and in like people everywhere in the world, will assert itself once for all in international affairs, and that if America preserves her poise, preserves her self-possession, preserves her attitude of friendliness toward all the world, she may have the privilege, whether in one form or another, of being the mediating influence by which these things may be induced.

"I am not now speaking of governmental mediation. I haven't it in mind at all. I mean the spiritual mediation. I mean the recognition of the world that here is a country that has always wanted things done that way, and whose merchants, when they carry their goods, will carry their ideas along with them, and that this spirit of give and take, this spirit of success, only by having better goods and better brains and better training will, through their influences, spread the more rapidly to the ends of the world. This is what I mean by the mediating influence that I think American commerce will exert.

"So I challenge you, and men throughout the United States like you, to apply your minds to your business as if you were building up for the world a great constitution of the United States, as if you were going out in the spirit of the service and achievement—the kind of achievement that comes only through service, the kind of achievement which is statesmanship, the statesmanship of those arrangements which are most serviceable to the world.

"As you do this, the American spirit, whether it be labeled so or not, will have its conquest far and wide, and when we come back from our

long voyage of trade, we will not feel that we have left strangers behind us, but that we have left friends behind us, and come back home to sit by the fireside and speak of the common kinship of all mankind."

This was the President's "vision of a democracy." But in the long journey from the simple life of provincial traders to the realization of the vision of a peaceful conquest of the world, an intelligent beginning had to be made.

The 64th Congress had convened. But military preparedness and commercial preparedness were the two great problems to be solved first. The European war was bringing in an era of new opportunities for American business with possibilities so vast that old domestic rules and old provincial habits were wholly inadequate. Under the pressure of these new forces, the President had asked the members of a great business organization to give him more light on the subject of domestic and foreign business. Moreover, he was pressing Congress to pass the Rural Credit Bill which had been considered in one form or another since the Federal Reserve Bill was before Congress. The new era demanded that the agricultural forces should be prepared to mobilize their resources, and the bill was framed to give them relief and set them forward.

By January, 1916, it was apparent that a great economic revolution was going on in the world.

"No man understands that revolution," he declared. "No man has the elements of it clearly in his mind. No part of the business of legislation with regard to international trade can be undertaken until we do understand it. And members of Congress are too busy, their duties are too multifarious and distracting to make it possible within a sufficiently short space of time for them to mark the change that is coming."

It had become quite clear to him, therefore, that the government should create a board whose sole business would be "to provide the Government with the necessary data to furnish a sound basis for the policy which should be pursued in the years immediately ahead of us." Industrial preparedness was being discussed throughout the nation. Therefore, on January 24, 1916, he wrote to Mr. Claude Kitchin, chairman of the Ways and Means Committee of the House of Representatives, a long letter in which he gave his views on the matter, and made some recommendations for Congress to consider.

"In common, I dare say, with every one who wishes to be thoughtful of the future economic

prosperity and development of the country," the letter began, "I have been thinking a great deal recently about what it would be wise to do to provide the Government with the necessary data to furnish a sound basis for the policy which should be pursued in the years immediately ahead of us, years which will no doubt be full of many changes which it is impossible at the present time for even the most prescient to forecast; and the more I have thought about the matter, the plainer it has become to me that we ought to have some such instrumentality as would be supplied by a Tariff Board.

"I am convinced, as I suppose every disinterested person must be, that it would be a mistake to provide for such a board with the idea of serving any particular theory of fiscal policy. What we would need would be, above all things else, a board as much as possible free from any strong prepossession in favor of any political party, and capable of looking at the whole economic situation of the country with a dispassionate and disinterested scrutiny.

"I believe that we could obtain such a board if the proper legislation were enacted, and it is quite clear to me what the field of its inquiry

and activity should be. It should, it seems to me, investigate the administrative and fiscal effects of the customs laws now in force or hereafter enacted; the relations between the rates of duty on raw materials and those on finished or half finished products; the effects of ad valorem and specific duties, and the classifications of the articles of the several schedules; the provisions of law and the rates and regulations of the Treasury Department regarding entry, appraisement, invoices, and collection; and in general the working of the customs tariff laws in economic effect and administrative method.

"It could and should also secure facts which would be very useful to the administrative officers of the Government, to the Congress, and to the public at large, through investigations of revenues derived from customs duties and the articles subject to duty, the cost of collection thereof, and the revenue collected from the customs duties at the several ports of entry; and it should be directed to investigate and throw light from every possible angle on the tariff relations between the United States and foreign countries, the rates of duty imposed on American products in foreign countries, the existence and

effects of discriminating duties, commercial treaties and preferential provisions and the effects of any special or discriminating duties that may be levied by the United States. It might in this connection furnish the State Department with very valuable information regarding treaty and tariff relations between the United States and foreign countries.

"It might further be of great assistance to the Congress, and to the public, and to American industry by investigating the industrial effects of proposed or existing duties on products which compete with products of American industry; the conditions of competition between American and foreign producers, including all the essential facts surrounding the production of commodities at home and abroad; the volume of importation compared with domestic production; the nature and causes of the advantages and disadvantages of American as compared with foreign producers; and the possibility of establishing new industries or of expanding industries already in existence through scientific and practical processes in such a manner as substantially to promote the prosperity of the United States.

"I think it would be very useful and, indeed,

necessary to require the board to act in connection with all appropriate agencies already in existence in the several departments of the Government, and even with appropriate agencies outside of the existing departments in order to avoid so far as possible duplications of work and to make all sources of official information available to the same end.

"If broadly enough empowered, such a board might be very helpful in securing the facts on which to base an opinion as to unfair methods and circumstances of competition between foreign and domestic enterprises, and as to the possibilities and dangers of the unfair "dumping" of foreign products upon the American market, and the steps requisite and adequate to control and prevent it. It might in this field, as well as in others, secure very valuable information for the guidance of American Consuls, and for the use of the Board of General Appraisers and other Treasury officials.

"I have gone into these particulars because I felt that they would make clearer than I could make it in general phrases my idea of the field of unpartisan inquiry within which such commission could render a useful and perhaps

indispensable service to the country, and I am taking the liberty of bringing the matter to your attention just at this time because I hope it will be possible for the Committee of Ways and Means of the House of Representatives to take this question up immediately with a view of formulating some policy and action concerning it. I feel confident that you will agree with me that the situation of the whole world in the matter of economic development is so unusual, and our own interest in the changes probably impending so vital, that I am justified in pressing this great topic upon the consideration of the committee at this time."

When the tariff bill was before Congress, and even after the tariff legislation was completed, there was a strong demand for a Tariff Board. But the President opposed it; because, as he explained, he wished the controversy to end as soon as the bill became a law, and he believed then that the "purpose of a Tariff Board was to keep alive an unprofitable controversy." He explained further that the very "men who were dinning it into our ears that what business wanted was to be let alone, were, many of them, men who were insisting that we should start up a controversy that meant that we could not let it alone." However, two days after explaining

to Mr. Kitchin why "some such instrumentality as would be supplied by a Tariff Board" should be created, he wrote a second letter to the House Leader, explaining somewhat in detail why he had changed his mind:

"Our conversation yesterday made me realize that in my letter of the 24th I had not set forth as I should have set them forth my reasons for changing my mind on the question of creating a Tariff Board, for I must frankly admit that I have changed my mind since I last spoke on that subject.

"I have changed my mind because all the circumstances of the world have changed, and it seems to me that in view of the extraordinary and far-reaching changes which the European war has brought about, it is absolutely necessary that we should have a competent instrument of inquiry along the whole line of the many questions which affect our foreign commerce.

"I have had in this change of mind no thought whatever of a change of attitude toward the so-called protective question. That is neither here nor there. A commission such as I have suggested would have nothing to do with theories of policy. They would deal only with facts, and

the facts which they would seek ought to be the actual facts of industry, and of the conditions of economic exchange prevailing in the world, so that legislation of every kind which touched these matters might be guided by the circumstances disclosed in its inquiries.

"I dare say you feel as I do, that it would be folly at this time, or until all the altered conditions are fully understood, to attempt to deal with questions of foreign commerce by legislation, and yet having dealt directly and clearly with the whole question of unfair competition without our own borders, it is clear as soon as we know the facts we ought to deal with unfair methods of competition as between our own nation and others, and this is only one of the many things that we would probably wish to deal with. The other matters I have attempted to indicate in my previous letter to you. I am glad to supplement that letter by this explicit statement of the considerations which have been most influential with me."

He then called Mr. Kitchin's attention to his last message to Congress, in which he stated that he would "ask the privilege of addressing

you more at length on this important matter a little later in your session." Moreover, he quoted the paragraph from that address in which he declared that we must "know exactly what we are dealing with when we come to act; we must first certainly know what it is that we are seeking to adapt ourselves to." And then he concluded his letter with these words:

"I need hardly say that I appreciate very fully the motives by which you are yourself actuated, and it is, therefore, with the greatest confidence that I lay the whole matter thus fully before you. Congress has so much to do at the present time that it is clearly impossible that it should be able to collect all the data which such a commission would gather, and I feel that it would presently find such a commission indispensable to it."

He indicated in these two letters to Mr. Kitchin the steps that Congress should take in preparing this nation for a larger industrial life and for a world commerce. However, the part that Congress was to take in this great program was small in comparison to the work ahead of individuals, for, after all, he argued, the success must depend largely upon individual initiative and enterprise.

There was evidence everywhere that this initiative was at work. The Federal Trade Commission was besieged with requests from the business men of the United States for permission to cooperate in foreign trade. They had even discarded the old word, "combine," and were using the new word, "cooperate." The chairman of Federal Trade Commission in an address at New Orleans declared that eighty-five per cent of the thousands of replies "that we have received from the business men of the United States" asked for permission to combine for foreign trade. Then he said:

"It is of serious and great interest to note that a very substantial part of those who declare that such cooperation should not only be permitted, but should be encouraged, are equally emphatic that this situation should develop under Federal regulations, so as to assure not only that the domestic market and the domestic consumer should not thereby be prejudiced, but also that all American manufacturers shall have fair play and equal opportunity in foreign business."

In February, the nation was aroused especially on the subject of military preparedness. But the President declared that "when we have settled this great question, as we presently shall, then we shall talk about these other matters." Meanwhile, he was pressing upon the Ways and Means Committee of the House the necessity of pre-

senting a bill in accordance with the recommendations in his letter to Mr. Kitchin.

Moreover, he was still pressing Congress to pass the Rural Credit Bill, and he repeated his convictions that it was necessary "to mobilize the economic forces of this country better than they ever have been mobilized before for the service of the world after this great war is over."

Senators and Members, in response to this urgent request, assured him that the bill would become a law before the adjournment of Congress. Accordingly, on July 17, this very important act was carried to the White House for his approval. A group of Senators, Representatives, and officers of farmers' organizations assembled in the Executive Office to witness the final act necessary to give the farmers of the country a new credit system. Among those present who had been especially interested in the passage of the bill were David Lubin, one of the authors of the bill, and representatives of the National Grange, the Farmers Educational and Cooperative Union, the Farmers Society of Equity, the Ancient Order of Gleaners, the Farmers National Congress, and the National Council of Farmers Cooperative Association.

Just before signing the measure which creates a system of twelve land loan banks under the direction of a Federal board, the President made a short address,

pointing out the benefits which he believed both farmers and the investing community would enjoy under its operation.

"On occasions of this sort," he said, "there are so many things to say that one would despair of saying them briefly and adequately, but I cannot go through the simple ceremony of signing this bill without expressing the feeling that I have in signing it. It is a feeling of profound satisfaction not only, but of real gratitude that we have completed this piece of legislation, which I hope will be immensely beneficial to the farmers of the country.

"The farmers, it seems to me, have occupied hitherto a singular position of disadvantage. They have not had the same freedom to get credit on their real estate that others have had who were in manufacturing and commercial enterprises, and while they have sustained our life, they did not in the same degree with some others share in the benefits of that life.

"Therefore, this bill, along with the very liberal provisions of the Federal Reserve act, puts them upon an equality with all others who have genuine assets, and makes the great credit of the country available to them. One cannot but feel that this is

delayed justice to them, and cannot but feel that it is a very gratifying thing to play any part in doing this act of justice.

"I look forward to the benefits of the bill, not with extravagant expectations, but with confident expectation that it will be a very wide-reaching benefit, and incidentally it will be of advantage to the investing community, for I can imagine no more satisfactory and solid investment than this system will afford those who have money to use.

"I sign the bill, therefore, with real emotion, and am very glad to be honored by your presence, and supported by your feeling. I have no doubt in what I have said regarding it."

The bill to create a United States Tariff Commission was also before Congress. It provided for a Commission of six members, but not more than three should be members of the same party. Therefore, it was to be non-partisan, and the members, if the bill became a law, were to be appointed for a period of two, four, six, eight, ten and twelve years. The old tariff board was simply created by executive order and was authorized by executive order to expend a certain sum of money each year. This new bill proposed to create a distinct, independent commission with its duties well defined by law, and with its permanency

absolutely assured. In outlining its duties, the committee followed in the main the President's suggestions made to Mr. Kitchin.

Thus, after nearly a generation, business and Government were cooperating on the basis of developing our own resources and encouraging a foreign trade that will give America industrial preparedness when the war closes. In this long generation of resistance, avoidance, and prosecutions, both Government and business have learned something, and each has taught the other much.

CHAPTER XXI

FORMING A PAN-AMERICAN UNION.

President Wilson announced, eight days after his inauguration, that "one of the chief objects of my administration will be to cultivate the friendship and deserve the confidence of our sister republics of Central and South America." The American people accepted that pronouncement as the expression of an idealist whose patriotism was exceedingly buoyant after an unusual election. However, few, if any, had the gift of prophecy to foretell the result of such a policy. But, nearly three years afterward, a great Pan-American Congress was sitting in Washington, and representatives of all the Republics of the two continents, bound together by ties of friendship and bearing gifts of great confidence to the chief executive of this nation, were working earnestly together for the domestic peace of the two Americas, and the international peace of the world based "upon the solid, eternal foundations of justice and humanity."

The President's Pan-American policy before the outbreak of the European war has been told in a previous chapter. But its effects were hardly definable on that fateful day when Austria declared war on Servia. How-

ever, the new impact of military forces in Europe shook the Western Hemisphere so violently that the twenty-one Republics looked immediately to one another for sympathy and assistance, and for a new bond of union.

A Pan-American Union was a corollary to other issues such as military preparedness, commercial preparedness, and industrial preparedness. It was so related to every measure looking to better shipping facilities and to every scheme for strengthening our defense that even Congress was compelled to consider our relations to the Latin-American states while discussing these other great issues, although no direct legislation was necessary.

But what were the real ties that bound these twenty-one Republics together at the outbreak of the war? The Monroe Doctrine was the strongest bond, but it was being assailed both in this country and in Europe. Citizens of the United States referred to it as "an anachronism of folly;" some said that it has "become only a disadvantage to the United States" and we should "modify it." In Europe, it was declared that the efficiency of the Doctrine "will be proved by the distance that the guns of the United States can cover." Thus, in both Europe and America, this bond of union was being vigorously attacked.

The second tie that bound these twenty-one Republics together was trade and commerce. Since the United States was more powerful than all the other republics

combined, it would be natural to suppose that the lines of trade and commerce between this country and each of the other states would be direct and very strong. However, such was not the case. A large business was carried on between the two Americas, but strange as it may seem, the greater part of it was conducted through European ports. Therefore, the commercial ties that bound the two Americas together passed through European hands, and the strength of those ties was measured by the willingness of European bankers and traders to facilitate intercourse between the two Americas. We have already seen that European vessels carried over 90 per cent of American commerce, and the shortest route from New York to Rio or Buenos Aires was by way of Hamburg or Liverpool. Moreover, the financial transactions between the two Americas was conducted not in American money or through American banks, but in European banks. The exchange was made in Europe, and the balance of trade was settled in European coin.

Furthermore, this long-distance union of the two Americas, made in the interest of European business and silently permitted through the negligence of American business, was encouraged by educational theorists; they advised teachers of geography to follow trade lines in instructing the youth, and to lead the students from North America to Europe and from thence to South America.

These were the very doubtful ties that bound the two

Americas together when Woodrow Wilson began "to cultivate the friendship and deserve the confidence" of the Latin-American states. Through this means he sought to preserve the Monroe Doctrine and to increase the commercial and financial intercourse between the two continents, and in this way create an irresistible Pan-American Union, in the interest, not of the United States solely, but of every republic in the two continents founded on constitutional government.

The Latin-American states were the first to feel the effects of the President's new Pan-American policies, because the militaristic policies of European nations appeared more formidable to Latin-America than to the United States. A new declaration of independence for constitutional governments needed to be stated so strongly that every republic in the Western Hemisphere might feel secure in its independence, and every imperialistic European nation might beware. The Latin-American states were soon to see in President Wilson's policies the outlines of this long hoped for declaration, and Latin-American writers noted them down with an eagerness that surprised the cool-headed Anglo-Saxon of North America.

It is well to sum up here the articles of the Wilson Doctrine as applied to this hemisphere: The rule of right and justice shall be applied to business activities in America; this government will not be a partner in any business enterprise in a foreign country that

would be unlawful at home; the United States is the friend of constitutional government in the two Americas; the republics of this hemisphere shall treat one another as equals, and each shall have the right to govern its internal affairs without interference from any other republic; the United States will never again seek an additional foot of territory by conquest; and one republic has a friendly interest in the other twenty, and it is the duty of all to guard and maintain the rights of each.

This new declaration of independence for the Western Hemisphere did not pass without a protest at home and much criticism in Europe. But, as Senor Leopold Lugones, a writer on political and economic questions of Argentina, declared just before the outbreak of the European war, "The serenity with which President Wilson accepts the most severe criticism, even to the point of endangering the material prestige of the United States, is the best proof of the honesty of his idealistic policy," and "The Pan-American ideal, in countries where great natural obstacles created barriers, may not be realized for many years to come, but to Latin-America it is a noble aspiration."

At the beginning of the European war it became very clear to Americans that Europe had dominated South America, because she controlled all the leading trade lines to South America and all the important international banking institutions of that continent. But these

trade lines were partially destroyed by the war, and the whole financial system was thrown into confusion. The President's activity for better shipping facilities, the wisdom of which will appear more and more as our relations to South America are studied, was followed immediately by a call for a financial conference of the two continents. The opportunity for service and the necessity for immediate action moved him, acting through the Secretary of the Treasury, to issue an invitation to all the Latin-American states to attend a Pan-American Financial Congress to be held at Washington, D. C., to confer with the Secretary of the Treasury, the Secretary of Commerce, Members of the Federal Reserve Board, and American bankers, in regard to improving the financial relations between this country and Central and South America. When Congress convened in December, 1914, it appropriated $50,000 for the entertainment of the visitors as the guests of the nation.

The republics of the two continents responded promptly and very cordially to the invitation, and when the Conference convened, May 24, 1915, every republic was represented except Mexico and Haiti. At the opening session President Wilson was present to welcome the official delegates from the other American republics, and his utterances on that occasion were both reassuring and very significant. After a few introductory remarks, he declared:

"There can be no sort of union of interest, if there is a purpose of exploitation on the part of any person connected with a great conference of this sort. We are not, therefore, trying to make use of each other, but we are trying to be of use to one another.

"It is very trying to me, it is even a source of mortification to me, that a conference like this should have been so long delayed, that it should never have occurred before, that it should have required a crisis of the world to show the Americans how truly they were neighbors to one another. If there is any one happy circumstance, gentlemen, arising out of the present distressing circumstance of the world, it is that it has revealed us to one another; it has shown us what it means to be neighbors. And I cannot help harboring the hope, the very high hope, that by this commerce of minds with one another, as well as commerce in goods, we may show the world, in part, the path to peace.

"It would be a very great thing if the Americans could add to the distinction which they already wear, this of showing the way to peace, to permanent peace. The way to peace for us,

at any rate, is manifest. It is the kind of rivalry which does not involve aggression. It is the knowledge that men can be of the greatest service to one another when the jealousy between them is merely a jealously of excellence and when the basis of their intercourse is friendship. There is only one way in which we wish to take advantage of you, and that is by making better goods, by doing the things that we seek to do for each other better, if we can, than you do them, and so spurring you on, if we might, by so handsome a jealousy as that to excel us.

"I am so keenly aware that the basis of personal friendship is this competition of excellence that I am perfectly certain that this is the only basis for the friendship of nations, this handsome rivalry, this rivalry in which there is no dislike, this rivalry in which there is nothing but the hope of a common elevation in great enterprise which we can undertake in common."

He then spoke of the very great need of a merchant marine, how we must secure it if private capital does not undertake to build it, and what it would mean to the Latin-American states if we had direct lines of communication. Then he continued:

"We cannot indefinitely stand apart and need each other for the lack of what can easily be supplied, and, if one instrumentality cannot supply it, then another must be found which will supply it. We cannot know each other unless we see each other; we cannot deal with each other unless we communicate with each other. So soon as we communicate and are on a familiar footing of intercourse with one another, we shall understand one another, and the bonds between the Americas will be such that no influence that the world may produce in the future will ever break them.

"If I am selfish for America, I at least hope that my selfishness is enlightened. The selfishness that hurts the other party is not enlightened selfishness. If I am going upon a mere ground of selfishness, I would seek to benefit the other party and so tie him to myself that even if you were to suspect me of selfishness, I hope you will also suspect me of intelligence and of knowing the only safe way for the establishment of the things which we covet, as well as the establishment of the things which we desire and which we should feel honored if we could earn and win.

"I have said these things because they will

perhaps enable you to understand how far from formal my welcome to this body is. It is a welcome from the heart, it is a welcome inspired by what I hope are the highest ambitions for those who live in these two great continents, who seek to set an example to the world in freedom of institutions, freedom of trade, and intelligence of mutual service."

The purpose of the Conference as stated in the invitation was to confer about direct shipping facilities, direct banking facilities, and better commercial relations. This Conference, according to Mr. John Barrett, Director-General of the Pan-American Union, "marks the most important step in our relations with South America since Mr. Blaine presided over the first Conference of American republics in 1889," and this opinion was echoed by the press of the country. However, the President's Shipping Bill, which had been presented to Congress before its adjournment, and which was still a much talked of measure because it was certain to become a live subject in the 64th Congress, was so intimately related to the main object of the Conference that the partisan opponents of the Shipping Bill in Congress "were afraid that Mr. Wilson might use the occasion to advance the administration's project for a government owned merchant marine, a bill that Congress had failed to endorse."

Although the partisan press was so sensitive to the tinkling cymbals of its foes that it could not hear the clear call to duty, the stable minded people of America saw in this conference the beginning of new relations between the two continents. Mr. Vanderlip, president of the National City Bank of New York, informed the Conference, and it was news to this nation as well, that the Federal Reserve Act and the great surplus of reserves resulting in the national banks of the country, gave an unusual opportunity for the United States to engage in foreign loans, and as a result, the National City Bank of New York was taking advantage of the provisions in the Act to establish a branch bank in Buenos Aires. These words of President Vanderlip were the announcement of the beginning of a new era for American business in South America.

European bankers had been in the habit of exacting large tolls from this country for the privilege of supplying Americans with capital to transact business in Central and South America. And Americans paid the heavy rates because American capital was not established there. This conference, however, created an international commission composed of representatives from each nation to study all financial problems pertaining to the American Republics, and to work out a way by which each might be a help to all.

Within a few months about twenty American banks, it is said, were established in the Latin-American states,

American capital was extending its arms into Central and South America and furnishing the means to market the chief articles of export from those countries to the United States. These new banking facilities, necessary forerunners of trade development, were now taking into account heretofore neglected opportunities in the enormously rich countries immediately to the south of us. Private capital was losing its timidity, and "a commerce of minds with one another" was producing a stronger bond of union, and "a whole hemisphere acting as a unit in sharp contradiction to Europe rent into hostile camps," was not impossible of realization.

President Wilson, in turning more and more to the Latin-Americas for advice in the ever perplexing Mexican trouble, carried assurance to the Republics that the President was absolutely sincere in his efforts to see a real Pan-American Union working harmoniously and without suspicion for the maintenance of peace. He pointed out early in his administration that it is one thing to talk to and act for the South American people, but quite another thing to consult them for the purpose of cooperating, thereby securing unity of action. His policy of cooperation was clearing the air of suspicion and distrust, and whatever the final action may be in regard to Mexico, certainly, the first three years of cooperation has been productive of such good results to the two continents, that subsequent events can hardly affect that cordial support and good will that has grown

out of this Pan-American policy; and a Pan-American Union is more desirable than armed intervention in Mexico, even with peace south of the Rio Grande as a possible outcome.

However, the President's policy was to secure peace in Mexico through the cooperative efforts of all the other American republics, rather than by acting alone. By this means he was weaving a cord more powerful than that made by trade and commerce and a chain of banks. It was a cord of mutual confidence and esteem that would strengthen all other bonds since they would be greatly reinforced by it. Therefore, while the press was complaining about the Mexican irritation, and annexationists were ridiculing the President's methods, the Administration was really perfecting a council board composed of the American Secretary of State and the diplomatic representatives at Washington of Argentina, Brazil, Chile, Bolivia, Uruguay, and Guatemala, to aid in settling vexatious matters in Mexico and other Latin-American countries.

The great issues of the war were so closely related to the President's Pan-American policies that he devoted a large part of his message to this subject, not because any direct legislation was needed, but because every great American policy was dependent in some way upon a Pan-American Union.

"There was a time," he said, "in the early days of our own great nation and of the republics fighting their way to independence in Central and South America when the government of the United States looked upon itself as in some sort the guardian of the republics to the south of her as against any encroachments or efforts at political control from the other side of the water; felt it its duty to play the part without invitation from them; and I think that we can claim that the task was undertaken with a true and disinterested enthusiasm for the freedom of the Americas and the unmolested self-government of her independent peoples. But it was always difficult to maintain such a rôle without offense to the pride of the peoples whose freedom of action we sought to protect, and without provoking serious misconceptions of our motives, and every thoughtful man of affairs must welcome the altered circumstances of the new day in whose light we now stand, when there is no claim of guardianship or thought of wards, but, instead, a full and honorable association as of partners between ourselves and our neighbors, in the interest of all America, north and south.

"Our concern for the independence and pros-

perity of Central and South America is not altered. We retain unabated the spirit that has inspired us throughout the whole life of our government, and which was so frankly put into words by President Monroe. We still mean always to make a common cause of national independence and of political liberty in America. But that purpose is now better understood so far as it concerns ourselves. It is known not to be a selfish purpose. It is known to have in it no thought of taking advantage of any government in this hemisphere or playing its political fortunes for our own benefit. All the governments of America stand, so far as we are concerned, upon a footing of genuine equality and unquestioned independence."

He then spoke of that purpose as it was applied to Mexico, and he declared that our course in Mexico ought to be sufficient proof to all America that we seek no political superiority or selfish control.

"The moral is," he continued, "that the states of America are not hostile rivals, but cooperating friends, and that their growing sense of community of interest, alike in matters political and in matters economic, is likely to give them a new

significance as factors in international affairs and in the political history of the world. It presents them as in a very deep and true sense a unit in world affairs, spiritual partners, standing together because thinking together, quick with common sympathies and common ideals. Separated, they are subject to all the cross currents of the confused politics of a world of hostile rivalries; united in spirit and purpose, they cannot be disappointed of their peaceful destiny.

"This is Pan-Americanism. It has none of the spirit of empire in it. It is the embodiment, the effectual embodiment, of the spirit of law, and independence, and liberty, and mutual service.

"A very notable body of men recently met in the City of Washington at the invitation and as the guests of this Government, whose deliberations are likely to be looked back to as marking a memorable turning point in the history of America. They were representative spokesmen of the several independent states of this hemisphere, and were assembled to discuss the commercial and financial relations of the republics of the two continents which nature and political fortune have so intimately linked together. I earnestly recommend to your perusal the reports

of their proceedings and of the actions of their committees. You will get from them, I think, a fresh conception of the ease and intelligence and advantage with which Americans of both continents may draw together in practical cooperation, and of what this must consist—of how we should build them and of how necessary it is that we should hasten their building."

National defense was a much debated subject when the message was delivered to Congress, and he pointed out again the relation of a great Pan-American Union to that question.

"No one who really comprehends the spirit of the great people for whom we are appointed to speak can fail to perceive that their passion is for peace, their genius best displayed in the practice of the arts of peace. Great democracies are not belligerent. They do not seek or desire war. Their thought is of individual liberty and of the free labor that supports life, and the uncensured thought that quickens it. Conquest and dominion are not in our reckoning, or agreeable to our principles.

"But just because we demand unmolested development and the undisturbed government of our own lives upon our own principles of right and

liberty, we resent, from whatever quarter it may come, the aggression we ourselves will not practice. We insist upon security in prosecuting our self-chosen lines of national development. We do more than that. We demand it also for others. We do not confine our enthusiasm for individual liberty and free national development to the incidents and movements of affairs which affect only ourselves. We feel it wherever there is a people that tries to walk in these difficult paths of independence and right. From the first we have made common cause with all partisans of liberty on this side of the sea, and have deemed it as important that our neighbors should be free from all outside domination as that we ourselves should be; and we have set America aside as a whole for the uses of independent nations and political freemen."

President Wilson's Pan-American policies were giving a new meaning—an enlarged meaning—to the Monroe Doctrine, and when this message was delivered in Congress, the Western Hemisphere was about to witness a union of the two Americas, such as the Monroe Doctrine, nearly a century old, never anticipated. The old Monroe Doctrine was primarily a doctrine of defiance to Europe, and much of our military as well as diplomatic history

is proof that suspicion and distrust were placed in the minds of the Latin states by our old interpretation of this doctrine. Mr. Albert Bushnell Hart said, "the best military authorities seem to be agreed that the Doctrine will lead to war if we adhere to it. . . . ; it is bound to lead to war if any powerful nation is willing to risk war with us for the sake of what it may pick up in America." And many people in America believed the Doctrine was not worth fighting for.

The wisdom of Mr. Wilson's policy, therefore, is apparent, and the necessity for a Pan-American Union on the basis of equality with all suspicion and mistrust dispelled from this hemisphere is a consummation that was hardly believed to be possible when the President delivered his Mobile speech in October, 1913. However, it was quite evident before a year had passed that "the states of America have become more conscious of a new and vital community of interests and moral partnership in affairs, more clearly conscious of the many sympathies and interests which bid them stand together." And now that the President's statesmanship was beginning to bear fruit of great and lasting value to this hemisphere, not only this nation but the Latin-American states were declaring that the Monroe Doctrine was unfolding into a new doctrine—the Wilson Doctrine of Pan-Americanism.

The President's address to Congress was well timed to be productive of still greater results. The second Pan-

American Scientific Congress was to assemble in Washington only a few weeks later during the Christmas holidays. Although this Congress in its origin had one special purpose, as its name indicates, the discussions of science were subordinated to another more important topic. President Wilson's assertion that "all the governments of America stand, so far as we are concerned, upon a footing of genuine equality and unquestioned independence," was the keynote of the whole Conference; and Secretary Lansing, in welcoming the delegates to Washington, caught up this note which was sounded at every meeting and in almost every general address.

"I speak only for the Government of the United States," said Secretary Lansing, "but in doing so I am sure that I express sentiments which will find an echo in every republic represented here, when I say that the might of this country will never be exercised in a spirit of greed to wrest from a neighboring state its territory or possessions. The ambitions of this Republic do not lie in the path of conquest, but in the paths of peace and justice. Whenever and wherever we can, we will stretch forth a hand to those who need help. If the sovereignty of a sister republic is menaced from overseas, the power of the United States and, I hope and believe, the united power of the American republics will constitute a bulwark which will protect the independence and integrity of their neighbor from unjust invasion or aggression.

The American family might well take for its motto that of Dumas' famous musketeers, 'One for all, all for one'."

After assuring the members of the Congress of the need of "cooperation and helpfulness by a dignified regard for the rights of all, and by living our lives in harmony and good will," he laid out the metes and bounds of "Pan-Americanism" as the "expression of the idea of internationalism," and concluded with these significant words:

"The path of opportunity lies plain before us Americans. The Government and people of every republic should strive to inspire in others confidence and cooperation by exhibiting integrity of purpose and equity of action. Let us as members of this congress, therefore, meet together on the plane of common interests, and together seek the common good. Whatever is of common interest, whatever makes for the common good, whatever demands united effort is a fit subject for applied Pan-Americanism. Fraternal helpfulness is the keystone to the arch. Its pillars are faith and justice.

"In this great movement this congress will, I believe, play an exalted part. You, gentlemen, represent powerful intellectual forces in your respective countries. Together you represent the enlightened thought of the continent. The policy of Pan-Americanism is practical. The Pan-American spirit is ideal. It finds its source and being in the minds of thinking men. It is the off-

spring of the best, the noblest conceptions of international obligation.

"With all earnestness, therefore, I commend to you, gentlemen, the thought of the American republics, twenty-one sovereign and independent nations, bound together by faith and justice, and firmly cemented by a sympathy which knows no superior and no inferior, but which recognizes only fraternity and equality."

Senator Elihu Root of New York, who, too, had the Pan-American spirit, in a very notable address before the Conference made a strong plea for the rights of small nations.

"The great body of the people of the United States," he said, "loves justice enough to be willing to render it to others. We believe that nobility of spirit, that high ideals, that capacity for sacrifice are nobler than material wealth. We know that these can be found in the little state as well as in the big one. In our respect for you who are small and who are great there can be no element of condescension, for that would be to do a violence to our own conception of the dignity of independent sovereignty. We desire no benefits which are not the benefits rendered by honorable equals to each other. We seek for no control that we are unwilling to concede to others."

On January 1, greetings to the Pan-American Scientific Congress were received from the Chief Executives of most of the South American Republics; and without

exception the tone of the New Year's greetings was one of friendliness and cooperation. Argentina's hope was for "A closer relationship"; Chile's great desire was for "the solidarity of all the peoples of America"; Paraguay's best wishes were for "the further unification of the moral interests of all America"; even Mexico expressed the hope "that the Pan-American Scientific Congress may have complete success in its interesting task"; and all the republics expressed either directly, or through their representatives, the hope that the Congress would result in a greater union of American republics.

It was not until near the close of the session, January 6, that President Wilson was able to attend the Conference. His policies had given direction to its discussions, and his terse sentences had been the subjects of addresses delivered by Latin-American representatives. Therefore, his appearance was the signal for a great demonstration. He was introduced to the Congress by President Eduardo Suarez-Mujica, Ambassador of Chile, as a "statesman who has radically changed the nature of the relations among the people of this continent, and has built an American international policy of mutual esteem and cooperation, at this moment praised and applauded by the whole continent."

The introduction was delivered in English, but, since many delegates were present from South America who could not readily understand that language, the

Ambassador of Brazil translated the remarks into Spanish amid great applause from the Latin-Americans.

When Mr. Wilson arose to speak, he stood just in front of an artistic grouping of all the flags of all the republics of the two Americas—symbolic of the great Pan-American Union and the leadership of the President of the United States. It was amid such surroundings that he outlined more definitely than ever before his plan of union for the twenty-one republics. After expressing his regrets at being unable to attend the sessions of the Congress, and after felicitating that body on the great change that had come about in the relationships between the United States and the Latin-American states, he said:

"The Monroe Doctrine was proclaimed by the United States on her own authority. It has always been maintained and always will be maintained upon her own responsibility. But the Monroe Doctrine demanded merely that European Governments should not attempt to extend their political systems to this side of the Atlantic. It did not disclose the use which the United States intended to make of her power on this side of the Atlantic. It was a hand held up in warning, but there was no promise in it of what America was going to do with the implied and partial

protectorate which she apparently was trying to set up on this side of the water, and I believe you will sustain me in the statement that it has been fears and suspicions on this score which have hitherto prevented the greater intimacy and confidence and trust between the Americas.

"The States of America have not been certain what the United States would do with her power. That doubt must be removed. And latterly there has been a very frank interchange of views between the authorities in Washington and those who represented the other States of this hemisphere, an interchange of views charming and hopeful, because based upon an increasingly sure appreciation of the spirit in which they were undertaken. These gentlemen have seen that if America is to come into her own, into her legitimate own, in a world of peace and order, she must establish the foundations of amity so that no one will hereafter doubt them.

"I hope and I believe that this can be accomplished. These conferences have enabled me to see how it will be accomplished. It will be accomplished, in the first place, by the states of America uniting in guaranteeing to each other political independence and territorial integrity;

in the second place, and as a necessary corollary to that, guaranteeing the agreement to settle all pending boundary disputes as soon as possible and by amiable process; by agreeing that all disputes among themselves, should they unhappily arise, will be handled by patient, impartial investigation and settled by arbitration; and the agreement, necessary to the peace of the Americas, that no State on either continent will permit revolutionary expeditions against another State to be fitted out in its own territory, and that they will prohibit the exportation of the munitions of war for the purpose of supplying revolutionists against neighboring Governments.

"You see what our thought is, gentlemen: not only the international peace of America, but the democratic peace of America. If American States are constantly in ferment, there will be a standing threat to their relations with one another. It is just as much to our interest to assist one another to the orderly processes within our own borders as it is to orderly processes in our controversies with one another. These are very practical suggestions which have sprung up in the minds of thoughtful men, and I, for my part, believe that they are going to lead the way

to something that America has prayed for for many a generation. For they are based, in the first place, as far as the stronger states are concerned, upon the handsome principle of self-restraint and respect for the rights of everybody. They are based upon the principles of absolute political equality among the states, equality of right, not equality of indulgence.

"They are based, in short, upon the solid, eternal foundations of justice and humanity. No man can turn away from these things without turning away from the hope of the world. These are things, ladies and gentlemen, for which the world has hoped and waited with prayerful heart. God grant that it may be granted to America to lift this light on high for the illumination of the world."

The President's address was a fitting finale to the great conference. The remarks of the Representative of the Republic of Brazil reflected the sentiment of the delegates present in these words, "Freedom is a gift that is only given to nations who know how and are ready to defend it. America is destined to lead the world. Let us work together for the principle of right and justice, of liberty and happiness."

The European war had fixed the period of the *renais-*

sance or rebirth of Pan-Americanism. President Wilson was now its guiding genius, and the Pan-American Scientific Congress was the occasion of its dedication to a new service based upon the principle of human rights set forth originally in the American Declaration of Independence.

By the aid of the American Institute of International Law, which is composed of 105 members, five from each of the twenty-one American republics, the Pan-American Scientific Congress adopted a Declaration of the Rights of Nations. The five articles of the declaration, without the preamble and citations of famous legal decisions, are as follows:

1. Every nation has the right to exist, to protect, and to conserve its existence; but this right neither implies the right nor justifies the act of the state to protect itself or to conserve its existence by the commission of unlawful acts against innocent and unoffending states.

This right is and is to be understood in the sense in which the right to life is understood in national law, according to which it is unlawful for a human being to take human life unless it be necessary so to do in self-defense against an unlawful attack threatening the life of the party unlawfully attacked.

2. Every nation has the right to independence in the sense that it has a right to the pursuit of happiness and is free to develop itself without interference or control from other states, provided that in so doing it

does not interfere with or violate the just rights of other states.

3. Every nation is in law and before law the equal of every other state composing the society of nations, and all states have the right to claim, and, according to the Declaration of Independence of the United States, "to assume, among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitle them."

4. Every nation has the right to territory within defined boundaries and to exercise exclusive jurisdiction over this territory, and all persons, whether native or foreign, found therein.

5. Every nation entitled to a right by the law of nations is entitled to have that right respected and protected by all other nations, for right and duty are correlative, and the right of one is the duty of all to observe.

This declaration defines the rights of neutrals as well as of belligerents, and it might be characterized as an "International Declaration of Independence."

Moreover, this Congress created an International High Commission consisting of a National section for each country. These sections were to meet from time to time in general conference, and between meetings exchange their views by correspondence.

"In pursuance of this plan," said Mr. McAdoo, Secretary of the Treasury, "the first general meeting of the

commission opened on April 3 of this year at Buenos Aires. With gratifying ardor the distinguished body of delegates representing twenty republics addressed themselves to the consideration of projects presented for the improvement of our various national laws or our several commercial and financial policies. The program was a truly formidable one, embracing thirteen different subjects, many of which were large enough to serve as the subject matter for an entire conference. Yet, in spite of that, the conference worked with such unity of purpose and brought to its tasks such a wealth of experience and knowledge and constructive genius that it was able to present a body of resolutions for the consideration of the various governments that will not fail to stimulate a genuine wave of enthusiasm for the cause of progressive and enlightened commercial legislation in the American Republics."

Mr. McAdoo declared that an effort is now being made to carry into effect the recommendations of this High Commission. And looking to that end a Central Committee, with the Secretary of the Treasury of the United States as Chairman, was "charged with the carrying out of the mandate of the conference and given the high responsibility of coordinating and directing the work of the National Sections, and of keeping in the closest touch and sympathy with the economic policy of the American Governments."

Thus "the steady pressure of moral force" was at last

breaking "the barriers of pride and prejudice down, and we were triumphing as the friend of Latin-America sooner than we could possibly have triumphed as her superior overlord—'And how much more handsomely, with how much higher and finer satisfaction of conscience and of honor.' "

CHAPTER XXII

THE NEED OF EDUCATIONAL PREPAREDNESS

The more important issues springing out of the European war soon began to press heavily upon our educational institutions. President Wilson, himself a trained educationist, was quick to see the need of educational preparedness and to call the attention of the American people to this need. But how was the school affected?

The public school is an instrument created by society for the purpose of preserving its ideals and institutions and for promoting its own interests. The problem of individual development is a professional one, with which society in general is unacquainted. Therefore, since the beginning of recorded deeds, there have been two aims in education: one is social or practical, the other is individual or theoretical. The former is constantly changing because it is affected by every great social upheaval. The latter is more or less constant since it is concerned primarily with the native tendencies of the individual.

The political and industrial revolutions at the close of the 18th and the beginning of the 19th centuries

made radical changes in all social institutions. Scarcely a man lives today as his ancestors did before these great changes took place. As a result we have a public school system unlike the old systems. It has a different organization, a different content, and even a different social purpose from those of the 17th and first half of the 18th centuries.

But at the beginning of the 20th century, even before the outbreak of the European war, it was observed and noted that our whole educational system, although it was comparatively new, was ill adapted to meet the needs of modern society. Moreover, it was a matter of professional knowledge that "every step taken in the direction of broadening our courses and differentiating our schools so as better to meet its needs has invariably resulted in a rapid increase in attendance"—an argument that an untrained people is the result of poor educational opportunities.

The great war gave society a tremendous jolt, and men everywhere began to take an inventory of the permanent social assets that could be mobilized for the benefit of society. The conservatism of the school stood out, then, in bold relief, and the American system came under a fierce criticism. It was charged that less progress has been made in education in the last thirty years than in any other vocation or profession.

Vocational education was advocated strongly before the war, and the Gary system was one concrete result of

the agitation. There were others also. But it was the European war that taught America how necessary it is to have "a loyal *entente* between the industrial men, the merchants, and the agriculturalists" of a nation. Moreover, it became more apparent that "each nation must resolve to accomplish profound modifications in industries, commerce, and culture," and that the school must play a large part in producing this modification.

Another industrial revolution was felt to be taking place. New industries have arisen in America because of the suspension or destruction in Europe of similar industries. Other nations had monopolies on goods essential to American homes and American business. The great war cut off our supply by destroying the accustomed trade route, and American genius and energy have been stimulated to enter new fields.

American colleges and universities, instead of attacking vigorously these problems, before the war were tributaries in a large measure to European universities. But after the outbreak of the war, these higher institutions of learning came also under the fire of criticism, and a readjustment was begun.

President Wilson advised the people of this country that the school must play a tremendous part not only in perfecting the program of the New Freedom, but also in making the nation sure of its military, commercial, and industrial preparedness. He referred in his message to the need of

giving federal aid and stimulation to industrial and vocational education "as we have long done in the large field of our agricultural industry." The Smith-Lever bill, referred to elsewhere, was the product of the long agitation for federal aid to agricultural industry.

"We should study more carefully," he said, "than they have hitherto been studied the right adaptation of our economic arrangements to changing conditions.

And again, "The most we can do is to make certain that we have the necessary instrumentalities of information constantly at our service, so that we may be sure that we know exactly what we are dealing with when we come to act, if it should be necessary to act at all. We must first certainly know what it is that we are seeking to adapt ourselves to."

Here was a new field for the colleges and universities to enter. It was pointed out that other nations had institutions for the study of world trade, and that they were organized with a corps of highly trained economists to instruct the people concerning trade possibilities and difficulties, and industrial needs. The Tariff Commission proposed by the President would in a measure serve the purpose of such an institution. But that would not relieve, it would increase the obligation imposed upon

our colleges and universities to make investigation and give instruction in this field of endeavor.

As the discussion of this point increased, the criticism of the American school system increased, and unusual modifications of its content and even of its organization were earnestly pressed. The Secretary of the Interior, in response to this new demand, recommended that Congress increase very largely its appropriation to the Bureau of Education in order to make it a more efficient agency. Others were advocating that the Bureau of Education should be converted into a great national university. Thus military preparedness, commercial preparedness, and industrial preparedness had made educational preparedness an important issue in the nation—another evidence of the influence of a great social pressure upon the school.

Mr. Wilson made his spectacular and very important tour of the country soon after the 64th Congress convened. His main theme was the need of military preparedness. But he argued also that America needed educational preparedness as well because of the need of military and industrial preparedness.

"There are two sides to the question of preparation," he said. "There is not merely the military side, there is the industrial side. And the ideal which I have in mind is this, gentlemen: we ought to have in this country a great

system of industrial and vocational education, under federal guidance and with federal aid, in which a very large percentage of the youth of this country will be given training in the skillful use and application of the principles of science in maneuvre and business. And it will be perfectly feasible and highly desirable to add to that and combine with it such a training in the mechanism and use and care of arms, in the sanitation of camp, in the simpler forms of maneuvre and organization, as will make these men industrially efficient and individually serviceable for national defense.

"The point about such a system is that its emphasis will lie on the industrial and civil side of life; and that, like all the rest of America, the use of force will only be in the background and as the last resort, so that men will think first of their families and their daily work, of their service in the economic fields of the country, and only last of all in their service to the nation as soldiers and men at arms. That is the ideal of America. But, gentlemen, you cannot create such a system over night. You cannot create such a system rapidly. It has got to be built up, and I hope it will be built up by slow and effective

stages. And there is something to be done in the meantime. We must see to it that a sufficient body of citizens is given the kind of training which will make them efficient for call into the field in case of necessity."

He argued that it was perfectly feasible to combine instruction that would work both for military and industrial preparedness.

"A nation," he said, "should be ashamed to use an inefficient instrument when it can make its instrument efficient for everything that it needs to employ it for, and it can do it along with the magnifying and ennobling and quickening of the tasks of peace.

"But we have to create the schools and develop the schools to do these things, and we cannot at present wait for the slower processes. We must go at once to the task of training a very considerable body of men to the use of arms and the life of camps, and we can do so upon one condition, and one condition only. The test of what we are proposing is not going to be the action of Congress—it is going to be the response of the country; it is going to be the volunteering of the men to take the training, and the willingness of their employers to see to it that no

obstacles are put in the way of their volunteering.

"It will be up to the young men of this country and the men who employ them, and then we shall know how far it is true that America wishes to prepare herself for national defense. It is not a matter of sentiment, but a matter of hard practice.

"Are the men going to come out, and are those who employ them going to facilitate their coming out? I for one believe that they will. There are many selfish influences at work in this country, as in every other, but, when it comes to the larger view, America can produce the substance of patriotism as abundantly as any other country under God's sun."

Military preparedness was the one problem that was pressing hardest for solution. The schools have not escaped its influence, and a part of the great debate still goes on among teachers and school boards as to whether the public school shall incorporate military training in its courses or not. How can it be taught consistently in the same school where universal peace is taught? How much time shall be devoted to it? How can military training be coordinated with industrial training? These are some of the questions that confront school officials and school teachers.

Industrial and military training, however, are not the only phase of this educational preparedness that confronts the nation. Pan-Americanism brings to the American school system another problem. The close students of educational practice in this country have been observing for the past two years some symptoms which indicate that our schools and colleges are already affected by this Pan-American ideal. Spanish, unknown to most of the high schools of the nation, has been creeping gradually and modestly into the curriculum in sections of the nation where foreign influences have been least apparent. Moreover, the culture of the Spanish-American races, their governmental institutions, and their economic resources, have been receiving significant attention in many of our colleges and universities.

"The germs of Pan-Americanism must be introduced in the class room," declared a delegate to the Pan-American Scientific Congress. "It is a false patriotism to inculcate in the minds of children the idea that in all comparison of their native land with foreign countries the former always should be given the advantage. This false patriotism will cause the countries to cheat themselves out of the advantage of cooperation and reciprocal instruction." It was argued, furthermore, that the Americas must cooperate intellectually, and President Nicholas Murray Butler of Columbia University replied in like spirit that it is the duty of the colleges and the universities to foster this intellectual union.

American schools were really accused of teaching a false patriotism and depriving American children of "the advantages of cooperation and reciprocal instruction." "The so-called educated youth of America" in some respects, it was charged, are inferior to students of a similar grade even in South America. "The latter," it is said, "speaks commonly French and often English, besides his native tongue, speaks them fluently and not stammeringly. In every Latin country, indeed, French is a second mother tongue to the well-to-do. Thanks to our lingering provinciality, and the admirable linguistic uselessness of most of our schools and colleges, the majority of 'educated' North Americans are unilingual. And, lacking the very A B C of business intercourse, we expect to compete successfully in the other Americas with Englishmen, Germans, Frenchmen, who are thoroughly familiar with the language, commercial and social customs, and institutions of those countries."

If North America, therefore, is to understand South America, a condition absolutely necessary before there can be any lasting Pan-American Union, the colleges and universities have an intellectual task to perform before this great program is completed. But the great war has discovered South America to North America, and President Wilson, in speaking to the delegates of the Financial Conference in May, 1915, said what others have felt since.

"It is even a source of mortification to me,"

he said, "that it should have required a crisis of the world to show the Americans how truly they were neighbors to one another. If there is any one happy circumstance, gentlemen, arising out of the present distressing circumstances of the world, it is that it has revealed us to one another; it has shown us what it means to be neighbors. And I cannot help harboring the hope, the very high hope, that by this commerce of minds with one another, as well as commerce in goods, we may show the world in part the path to peace."

Woodrow Wilson was closing his administration. The first half was devoted to the task of restoring the rule of right and justice in the nation, and in its relations with foreign nations. The second half was concerned with the European war: the task of preserving peace in America, and of holding the mad nations of the world to some standard, coupled with the greatest domestic problem that has confronted this nation since the Civil War,—how to prepare the nation socially, industrially, and educationally to meet the great issues born of the war. In looking back over his achievements as he faced another political campaign, he declared:

"I am willing, no matter what my personal fortune may be, to play for the verdict of man-

kind. Personally, it will be a matter of indifference to me what the verdict on the 7th of November is, provided I have any degree of confidence that when a later jury sits, I shall get their judgment in my favor, not in my favor personally —what difference does that make?—but in my favor as an honest and conscientious spokesman of a great nation."

CHAPTER XXIII

THE MAN IN ACTION

Woodrow Wilson, the man in action, is intensely human. He loves the simple life and his habits are those of the plain men of the country. He hates the silk hat and the conventional dress, and he is happiest, it is said, in his working clothes. It was this preference for the unconventional, for simplicity and directness, that led him to dispense with the inaugural ball, and to upset the precedents of a century by going to Congress to deliver his first message. And he disarmed those who thought this act savored of royalty by introducing himself as "a human being."

He does not give much consideration to the way his acts will be seen through the eyes of others. Disliking form and ceremonies and preferring the simple life, he declined, without even thinking of it, an election to the Chevy Chase Country Club, and was amazed next day to find that he had committed a mortal sin against high society.

The ceremonies that surrounded him in the White House amused him. "For example," he

said, "take matters of this sort: I will not say whether it is wise or unwise, simple or grave, but certain precedents have been established that in certain companies the President must leave the room first, and the people must give way to him. They must not sit down if he is standing up. It is a very uncomfortable thing to have to think of all the other people every time I get up and sit down, and all that sort of thing, so that when I get guests in my own house and the public is shut out, I adjourn being President and take leave to be a gentleman. If they draw back and insist upon my doing something first, I firmly decline."

Moreover, he protested with a show of humor against enforced presidential conventionalties that kept him virtually a prisoner in the White House, and he ridiculed the customs that placed him in the "same category as the National Museum, the Smithsonian Institute, or the Washington Monument."

"If I only knew an exhibition appearance to assume," he said once, speaking humorously of this custom, "I would like to have it pointed out, so that I could practice it before the looking glass and see if I could not look like the Monu-

ment. Being regarded as a national exhibit, it will be much simpler than being shaken hands with by the whole United States."

He did not exaggerate the Washington habit when he declared that if he "turned up anywhere" in Washington he was "personally conducted to beat the band" by "the Curator, the Assistant Curator and every other blooming official, and they show so much attention that I don't see the building."

In speaking of the Presidency, he said:

"I feel like a person appointed for a certain length of time to administer that office, and I feel just as much outside of it at this moment as I did before I was elected to it. I feel just as much outside of it as I still feel outside of the government of the United States. No man could imagine himself the government of the United States; but he could understand that some part of his fellow citizens had told him to go and run a certain part of it the best he knew how. That would not make him the government itself or the thing itself. It would just make him responsible for running it the best he knew how. The machine is so much greater than himself,

the office is so much greater than himself, the office is so much greater than he can ever be, and the most he can do is to look grave enough and self-possessed enough to seem to fill it.

"I can hardly refrain every now and then from tipping the public a wink as much as to say, 'It is only "me" that is inside this thing. I know perfectly well that I will have to get out presently. I know then that I will look just my own proper size, and that for the time being the proportions are somewhat refracted and misrepresented to the eye because of the large thing I am inside of, from which I am tipping you this wink.' "

Himself a human being, he has been in sympathetic touch with the sentiments of the American people. He is the real leader of a great democracy because he feels in his own heart the needs and desires and demands of the American people. He has sought to make their spirit his spirit, and their conscience his conscience.

"I am diligently trying," he said, "to collect all the brains that are borrowable in order that I will not make more blunders than it is inevitable a man should make who has great limitations of knowledge and capacity."

He illustrated his method of working with Congress by the following story:

"We had once when I was president of a university, to revise a whole course of study. A committee, I believe of fourteen men, was constituted by the faculty of the university to report a revised curriculum. Naturally, the men who had the most ideas on the subject were picked out, and naturally, each man came with a very definite notion of the kind of revision he wanted, and one of the first discoveries we made was that no two of us wanted exactly the same revision.

"I went in there with all my war paint on to get the revision I wanted and, I dare say, though it was perhaps more skilfully concealed, the other men had their war paint on, too. We discussed that matter for six months. The result was a report which no one of us had conceived or foreseen, but with which we were all absolutely satisfied. There was not a man who had not learned in that committee more than he had ever known before about the subject, who had not willingly revised his prepossession, and who was not proud to be a participant in a genuine piece of common counsel."

A careful review of his speeches from his inaugural address to the completion of his program reveals little of the fault finding, scarcely no abuse, but always an appeal to those finer centers where patriotism abides. In facing a group of business men, he declared emphatically that certain men did deliberately go about to set up private monopoly in this country. But he appealed to their patriotism to come and help remove the evil. When the lobbyists, those "self-appointed trustees," were standing in the way of the progress of legislation, he boldly and vigorously brushed them aside. But in his addresses there are found practically no references to "malefactors of great wealth" or to "robber barons" of large industries.

He is a good psychologist, using the power of suggestion to direct the thought of the nation into patriotic channels, rather than throwing evil on the defensive and gaining for it reinforcements by holding it up before the public. He was constantly holding up, instead, the virtues of the statesmen who helped to make the good that once existed and should now exist in the nation, and he seemed to draw his inspiration for patriotic utterances from the glory of men individually and collectively who set up this nation on the rights of man.

His habits of work are very interesting. A daily program of his official acts was published by James Hay, Jr., in the American Magazine, as follows:

"His personal stenographer, C. L. Swem, who was

with him in New Jersey, reports at the study in the White House proper at 8:55, at which time the President dictates replies to the important letters which have been received at the White House offices the day before. At ten o'clock he takes his place at his desk in his private office in the White House offices. Between ten and ten-thirty he attends to whatever routine work is possible before he begins to keep the appointments he or his secretary has made several days before. Each caller usually gets five minutes, some of them three, and a few fifteen. He keeps a card on his desk showing the list of appointments, and checks off with his own hand each appointment as it is kept. (I saw one of these cards on which he had run his pencil through the name of a prominent politician and had written after the name in blue pencil, 'He did not come.' That 'He did not come' looked ominous.)

"At 12:59 the President, having concluded the appointments, leaves the office and goes to the White House for his one-o'clock luncheon.

"At two o'clock he receives in the East Room delegations of tourists who want to shake his hand, and, if it is necessary, he has a long conference with some member of the Cabinet or a diplomat. After that, he plays golf, takes a walk through the shopping district of Washington, or goes for an automobile ride.

"At seven o'clock he has dinner.

"He goes to bed between ten o'clock and midnight, never after midnight."

The President's office methods are described as remarkable for accuracy and exactness. He files all his important papers with his own hands in a filing case just back of his chair in the White House study. His powers of concentration are great, and after devoting his mind entirely to a single subject, or dictating a speech or a paper, or writing it out in shorthand and then reading it to his stenographer, practically no changes are required.

Punctuality, alertness, candor, and firmness are characteristic of the man. If you have an engagement with him he keeps it to the second and resents it if you do not. If you suggest a new idea, he quietly grasps it and is ready to use it. In this way he collects all the brains available. If you have an engagement with him for five minutes, when you have talked 4.9 minutes, he "will certainly give the matter careful consideration," he is "glad you offered the suggestion," and is "sorry you can't stay longer for it is very interesting." Out you go unoffended, and as you leave, he jots down in shorthand for future consideration the main points of the discussion, and is ready for the next man. It is said that he is an expert stenographer and that a page from his note book is "as clear and clean cut as a piece of engraving."

Mr. Wilson says himself that he never stops working

on his important messages to Congress until he is ready to deliver them. This story which he tells is an illustration of this fact:

"I was amused the other day," he said, "at a remark that Senator Newlands made. I had read him the trust message that I was to deliver to Congress some ten days before I delivered it, and I never stop 'doctoring' things of that kind until the day I have to deliver them. When he heard it read to Congress he said: 'I think it was better than it was when you read it to me.' I said: 'Senator, there is one thing which I do not think you understand. I not only use all the brains I have, but all I can borrow, and I have borrowed a lot since I read it to you first.' "

He moves about his tasks with a briskness that surprises, and a hearty good cheer that pleases, but with a poise and directness that carry conviction. In him there is nothing of the demagogue, no bluff and bluster, no acrobatic gyrations or playing to the galleries. His private life is simplicity itself. He is a polished gentleman, but thoroughly democratic and intensely human. A scholar of the first rank, a rapid thinker of extraordinary mental alertness, he moves with precision, courage, and purpose. He is slow to make promises, but quick to fulfill those he makes. He has a facility and a felicity of expression that quickly charms his

hearers; square-shouldered and manly, he looks you straight in the eye, charms you with his mellow musical voice, eager interest, and marvelous fund of information. He is a dynamo of energy, a storage battery of power. You are conscious that you are in the presence of a great personality, a man worthy to be President of the United States.

Mr. Wilson has a keen sense of humor, and both his conversation and his speeches abound with stories. A certain committee from New York called to convince him that the Banking and Currency Laws which had then been in force about a year should be amended. The chairman of the committee finally said:

"Sir, that law is breaking down the power and control of Wall Street as the money center of the country."

"That reminds me of a story," said the President, as the unfailing twinkle came to his eye. "A stranger was visiting a great Cathedral in London. He gazed in wonder upon its magnificence, and said to the keeper who was an Irishman, 'Doesn't this beat the devil?' The Irishman promptly replied, 'That's what we built it for, Sir.' "

In speaking of the vanity of the office holder in Washington he said once: "A friend of mine says that every man who takes office in Washing-

ton either grows or swells, and when I give a man an office, I watch him carefully to see whether he is swelling or growing. The mischief of it is that when they swell they do not swell enough to burst. If they would only swell to the point where you might insert a pin and let the gases out, it would be a great delight. I do not know any pastime that would be more diverting, except that the gases are probably poisonous, so that we would have to stand from under."

During his fight against the lobbyists and the monopolists he came in for a great deal of criticism and abuse. His leadership had not been fully established, and his popularity was then at its lowest ebb. In describing his feelings to newspaper men, he said:

"There are blessed intervals when I forget by one means or another that I am President of the United States. One means by which I forget is to get a rattling good detective story, get after some imaginary offender and chase him all over—preferably any continent but this, because the various parts of this continent are becoming painfully suggestive to me. The postoffices, and many other things which stir reminiscence have 'sicklied them o'er with a pale cast of thought.' There

are postoffices which I can't think of without trembling with the knowledge of all the heart-burnings there were in connection with getting somebody installed as postmaster."

The President's ability to use classic English is well recognized, but there is a story that upon one occasion he made a short cut to the point. A battle royal was raging in the House. The contest was close and bitter. A congressman wanted to be known as an "administration man" because while the people at home didn't know the details, yet they believed in the President and accepted without question all for which he stood. The congressman wanted to hedge, so he called upon the President and said, "Mr. President, of course, I am for you all the way, but I think you might recede a little to please some of my constituents who don't agree with *us*. Won't you?"

Mr. Wilson had been holding the fort almost alone for days and he had reached the limit of his patience. No sooner had the congressman ceased his pleading than the President turned suddenly upon him and pounding heavily upon the table exclaimed:

"I'm right! No!"

And he clothed this negative with such force that, so the story goes, the distinguished congressman, utterly

frightened, did not put on his hat until he had reached the House, and without taking his seat, he made a speech in favor of the bill.

Mr. Wilson is considered an excellent judge of human nature. He is so human himself that it is easy for a man of his training to detect the real human being as it moves in and out among the artificial figures and dehumanizing conventionalists. He speaks often of the value to the world of the disinterested man.

"The only thing that saves the world is the handful of disinterested men in it." And he declared that he was ever on the watch for such men.

"I have found a few disinterested men," he said, "and I tie to those men as you would tie to an anchor. I tie to them as you would tie to the voices of conscience, if you could be sure that you always heard them. Men who have no axes to grind, men who love America so that they would give their lives for it and never care whether anybody heard that they had given their lives for it, willing to die in obscurity if only they might serve—those are the men. Nations, like those men, are the nations that are going to serve the world and save it."

He had no patience with the stand-patter, the reactionary, or the so-called conservative, "these hopeless dams against the stream" who were often urging him to let things alone, and let all the forces of evil as well as good work on in their accustomed way.

"I remember," he said, "when I was President of a university, a man said to me: 'Good Heavens, man, why don't you leave something alone and let it stay the way it is?' and I said: 'If you will guarantee to me that it will stay the way it is, I will let it alone; but if you knew anything, you would know that if you leave a thing alone it will not stay where it is. It will develop, and will either go in the wrong direction or decay.'

"I reminded him of this thing that the English writer said, that if you want to keep a white post white, you cannot let it alone. It will get black. You have to keep doing something to it. In that instance you have got to paint it white frequently in order to keep it white, because there are forces at work that will get the better of you. Not only will it turn black, but the forces of moisture and other forces of nature will penetrate the white paint and get at the fibre of the wood, and decay

will set in, and the next time you try to paint it you will find that there is nothing but punk to paint.

"Then you will remember the Red Queen in 'Alice in Wonderland' or 'Alice Through the Looking Glass'—I forget which, it has been so long since I read them—who takes Alice by the hand, and they rush along at a great pace, and then, when they stop, Alice looks around and says, 'But we are just where we were when we started.' 'Yes,' says the Red Queen, 'you have to run twice as fast as that to get anywhere else.'

"That is also true, gentlemen, of the world and of affairs. You have got to run fast merely to stay where you are, and in order to get anywhere you have got to run twice as fast as that. That is what people do not realize. That is the mischief of these hopeless dams against the stream known as reactionaries, and standpatters, and other words of obloquy. That is what is the matter with them: they are not even staying where they were. They are sinking further and further back in what will some time comfortably close over their heads as the black waters of oblivion. I sometimes imagine that I see their

heads going down, and I am not inclined even to throw them a life preserver. The sooner they disappear the better. We need their places for people who are awake; and we particularly need now, gentlemen, men who will divest themselves of party passion and of personal preference and will try to think in the terms of America."

The man who is happiest in old clothes and hates a silk hat is the same man who meets a suspicious congressman and conquers him, not by threats or bluster, it is said, but by telling him with frank simplicity what he thinks ought to be done. The lobbyists in Washington always expecting to find a politician "playing the game" and always looking for the vulnerable spot in his play, found themselves baffled and conquered by the President's method of fighting. He does not adopt this method as tactics; he acts in this way, it is said, because this is Woodrow Wilson, the man himself. He knows no other way.

"I cannot make myself over; you must take me as you find me," he said once.

He wins because he is prepared. Intellectual contests are easy because of his well disciplined mind. He has read more widely and thought more accurately, as a rule, than any antagonist he meets

at home or abroad. Moreover, he has an inherent and life long preference for plainness and directness, and for simple things. This is a complementary side of the same characteristics which make his political methods so direct. Herein lies the secret of much of his power.

He knows the history and the science of government with an intimacy few men have possessed. It was the possession of this accurate knowledge that made it possible for him to confound the bankers when they came to ask him to consent to their naming representatives on the Federal Reserve Board.

After all is said and done, in times like this, the real determining factor is the man—the masterful man in action. Americans clamor for the man who is safe and will not lead astray, the leader who stands for America first, the master to whom the world looks with confidence for cool deliberation, justice, and honor in the final adjustment of domestic and foreign affairs in the midst of confusion at home and madness abroad.

America is the world power destined to be the arbiter of this stupendous conflict, and Woodrow Wilson, the President, is the greatest figure, perhaps, in this world crisis of inexcusable folly and causeless bloodshed.

He admits that he makes mistakes, but his characterization of the men who have helped to set this nation forward on the path to peace and honor may be descriptive likewise of himself.

"The men who grow, the men who think better a year after they are put in office than they thought when they were put in office, are the balance wheel of the whole thing. They are the ballast that enables the craft to carry sail and to make a port in the long run, no matter what the weather is."

But looking back over the years that have intervened since he was inaugurated, he spoke feelingly of the crises through which he had come and of the hostile criticism of him from men who had differed with him. It came as a sort of public confession to the newspaper men of Washington:

"I have come through the fire," he said, "since I talked to you last. Whether the metal is purer than it was, God only knows. But the fire has been there, the fire has penetrated every part of it, and if I may believe my own thoughts, I have less partisan feeling, more impatience of party maneuver, more enthusiasm for the right thing, no matter whom it hurts, than I ever had before in my life."

APPENDIX

SELECTIONS FROM WOODROW WILSON'S PUBLIC ADDRESSES

THE SPIRIT OF PENN

"I cannot help thinking of William Penn as a sort of spiritual knight who went out upon his adventures to carry the torch that had been put into his hands, so that other men might have the path illuminated for them which led to justice and liberty. I cannot admit that a man establishes his right to call himself a college graduate by showing me his diploma. The only way he can prove it is by showing that his eyes are lifted to some horizon which other men less instructed than he have not been privileged to see. Unless he carries freight of the spirit, he has not been bred where spirits are bred.

"This man Penn, representing the sweet enterprise of the quiet and powerful sect that called themselves Friends, proved his right to the title by being the friend of mankind. He crossed the

ocean, not merely to establish estates in America, but to set up a free commonwealth in America, and to show that he was of the lineage of those who had been bred in the best traditions of the human spirit. I would not be interested in celebrating the memory of William Penn if his conquest had been merely a material one. Sometimes we have been laughed at, by foreigners in particular, for boasting of the size of the American continent, the size of our own domain as a nation; for they have, naturally enough, suggested that we did not make it. But I claim that every race and every man is as big as the thing that he takes possession of, and that the size of America is in some sense a standard of the size and capacity of the American people. And yet the mere extent of the American conquest is not what gives America distinction in the annals of the world, but the professed purpose of the conquest which was to see to it that every foot of this land should be the home of free, self-governed people, who should have no government whatever which did not rest upon the consent of the governed. I would like to believe that all this hemisphere is devoted to the same sacred purpose, and that nowhere can any government endure which is

stained by blood or supported by anything but the consent of the governed.

"The spirit of Penn will not be stayed. You cannot set limits to such knightly adventurers. After their own day is gone, their spirits stalk the world, carrying inspiration everywhere that they go, and reminding men of the lineage, the fine lineage, of those who have sought justice and right."

From Woodrow Wilson's address at Swathmore College, Pennsylvania, October 25, 1913.

JOHN BARRY'S EXAMPLE

"No one can turn to the career of Commodore Barry without feeling a touch of the enthusiasm with which he devoted an originating mind to the great cause which he intended to serve, and it behooves us, living in this age when no man can question the power of the nation, when no man would dare to doubt its right and its determination to act for itself, to ask what it was that filled the hearts of these men when they set the nation up.

"John Barry was an Irishman, but his heart crossed the Atlantic with him. He did not leave it in Ireland. And the test of all of us—for all

of us had our origins on the other side of the sea—is whether we will assist in enabling America to live her separate and independent life, retaining our ancient affections, indeed, but determining everything that we do by the interests that exist on this side of the sea. Some Americans need hyphens in their names, because only part of them has come over; but when the whole man has come over, heart and thought and all, the hyphen drops of its own weight out of his name. This man was not an Irish-American; he was an Irishman who became an American. I venture to say if he voted, he voted with regard to the questions as they looked on this side of the water and not on the other side, and that is my infallible test of a genuine American: that when he votes, or when he acts, or when he fights, his heart and his thought are nowhere but in the center of the emotions and purposes and the policies of the United States.

"This man illustrates for me all the splendid strength which we brought into the country by the magnet of freedom. Men have been drawn to this country by the same thing that has made them love this country: by the opportunity to live their own lives, and to think their own

thoughts, and to let their whole natures expand with the expansion of this free and mighty nation. We have brought out of the stocks of all the world all the best impulses, and have appropriated them and Americanized them and translated them into the glory and the majesty of this great country.

"So, ladies and gentlemen, when we go out from this presence, we ought to take this idea with us: that we, too, are devoted to the purpose of enabling America to live her own life, to be the justest, the most progressive, the most honorable, the most enlightened nation in the world. Any man who touches our honor is our enemy. Any man who stands in the way of that kind of progress which makes for human freedom cannot call himself our friend. Any man who does not feel behind him the whole push and rush and compulsion that filled men's hearts in the time of the Revolution is no American. No man who thinks first of himself and afterwards of his country can call himself an American. America must be enriched by us. We must not live upon her; she must live by means of us.

"I, for one, come to this shrine to renew the impulses of American democracy. I would be

ashamed of myself if I went away from this place without realizing again that every bit of selfishness must be purged from our policy, that every bit of self-seeking must be purged from our individual conscience, and that we must be great, if we would be great at all, in the light and illumination of the example of men who gave everything that they were and everything that they had to the glory and honor of America."

From Woodrow Wilson's address at the unveiling of the statue to the memory of Commodore John Barry, at Washington, May 16, 1914.

THE PLAIN MEN OF THE COLONIES

"The men of the day which we now celebrate had a very great advantage over us, ladies and gentlemen, in this one particular: life was simple in America then. All men shared the same circumstances in almost equal degree. We think of Washington, for example, as an aristocrat, as a man separated by training, separated by family and neighborhood tradition, from the ordinary people of the rank and file of the country. Have you forgotten the personal history of George Washington? Do you not know that he struggled as poor boys now struggle for a meager and im-

perfect education; that he worked at his surveyor's tasks in the lonely forests; that he knew all the roughness, all the hardships, all the adventure, all the variety of the common life of that day; and that if he stood a little stiffly in this place, if he looked a little aloof, it was because life had dealt hardly with him? All his sinews had been stiffened by the rough work of making America. He was a man of the people, whose touch had been with them since the day he saw the light in the old Dominion of Virginia. And the men who came after him, men, some of whom had drunk deep at the sources of philosophy and of study, were, nevertheless, also men who on this side of the water knew no complicated life, but the simple life of primitive neighborhoods. Our task is very much more difficult. That sympathy which alone interprets public duty is more difficult for a public man to acquire now than it was then, because we live in the midst of circumstances and conditions infinitely complex.

"No man can boast that he understands America. No man can boast that he has lived the life of America, as almost every man who sat in this

hall in those days could boast. No man can pretend that except by common counsel he can gather into his consciousness what the varied life of this people is. The duty that we have to keep open eyes and open hearts and accessible understandings is a very much more difficult duty to perform than it was in their day. Yet how much more important that it should be performed, for fear we make infinite and irreparable blunders. The city of Washington is in some respects self-contained, and it is easy to forget what the rest of the United States is thinking about.

"I count it a fortunate circumstance that almost all the windows of the White House and its offices open upon unoccupied spaces that stretch to the banks of the Potomac and then cut into Virginia and on to the heavens themselves, and that as I sit there I can constantly forget Washington and remember the United States. Not that I would intimate that all of the United States lies south of Washington, but there is a serious thing back of my thought. If you think too much about being reelected, it is very difficult to be worth reelecting. You are so apt to forget

that the comparatively small number of persons, numerous as they seem to be when they swarm, who come to Washington to ask for things, does not constitute an important proportion of the population of the country, that it is constantly necessary to come away from Washington and renew one's contact with the people who do not swarm there, who do not ask for anything, but who do trust you without their personal counsel to do your duty. Unless a man gets these contacts, he grows weaker and weaker. He needs them as Antaeus needed the touch of Mother Earth. If you lift him up too high or he lifts himself too high, he loses the contact and therefore loses the inspiration.

"I love to think of those plain men, however far from plain their dress sometimes was, who assembled in this hall. One is startled to think of the variety of costume and color which would now occur if we were to let loose upon the fashions of that age. Men's lack of taste is largely concealed now by the limitations of fashion. Yet these men, who sometimes dressed like the peacock, were, nevertheless, of the ordinary flight of their time. They were birds of a feather; they were birds come from a very

simple breeding; they were much in the open heaven. They were beginning, when there was so little to distract their attention, to show that they could live upon fundamental principles of government. We talk those principles, but we have not time to absorb them. We have not time to let them into our blood, and thence have them translated into the plain mandates of action.

"The very smallness of this room, the very simplicity of it all, all the suggestions which come from its restoration, are reassuring things—things which it becomes a man to realize. Therefore, my theme here today, my only thought, is a very simple one. Do not let us go back to the annals of those sessions of Congress to find out what to do, because we live in another age and the circumstances are absolutely different; but let us be men of that kind; let us feel at every turn the compulsions of principle and of honor which they felt; let us free our vision from temporary circumstances and look abroad at the horizon and take into our lungs the great air of freedom which has blown through this country and stolen across the seas and blessed people everywhere; and, looking east and west and north and south, let us remind ourselves that we are the custodians,

in some degree, of the principles which have made men free and governments just."

Woodrow Wilson's address at the celebration of the rededication of Congress Hall, Philadelphia, October 25, 1913.

THE MEANING OF THE DECLARATION OF INDEPENDENCE

"Have you ever read the Declaration of Independence? When you have heard it read, have you attended to its sentences? The Declaration of Independence is not a Fourth of July oration. The Declaration of Independence was a document preliminary to a war. It involved a vital piece of business, not a piece of rhetoric. And if you will get further down in the reading than its preliminary passages, where it quotes about the rights of men, you will see that it is a very specific body of declarations concerning the business of the day—not the business of our day, for the matter with which it deals is past—the business of revolution, the business of 1776. The Declaration of Independence does not seem anything to us merely in its general statements unless we can append to it a similarly specific

body of particulars as to what we consider our liberty to consist of.

"Liberty does not consist in mere general declaration as to the rights of man. It consists in the translation of those declarations into definite action. Therefore, standing here where the Declaration was adopted, reading the business-like sentences, we ought to ask ourselves, what is there in it for us? There's nothing in it for us unless we can translate it into terms of our own conditions and of our own lives. We must reduce it to what the lawyers call a bill of particulars, the bill of particulars of 1776, and, if we are to revitalize it, we are to fill it with a bill of particulars of 1914. The task to which we have to address ourselves is a proof that we are worthy of the men who drew this great Declaration by showing we know what they would have done in our circumstances. . . .

"You know the Declaration of Independence has in one sense lost its significance. Nobody believed we could be independent when that document was written. Now nobody would dare doubt we are independent. As a declaration of independence it is a mere historic document. The Independence is a fact so stupendous that it can

be measured only by the size, energy, ability, wealth, and power of one of the greatest nations of the world.

"But it is one thing to be independent, and it is another thing to know what to do with your independence. It is one thing to come to your majority, and another thing to know what you are going to do with your life and your energies. One of the most serious questions for sober minded men to address themselves to in these United States is: what are we going to do with the influence and power of this great nation? Are we going to play the old rôle of using that power for our own aggrandizement and material benefit? You know what that means. It means we shall use it to make the people of other nations suffer in the way in which we said it was intolerable to suffer when we uttered the Declaration of Independence. . . .

"We set up this nation and we propose to set it up on the rights of man. We did not name any differences between one race and another; we did not set up any barriers against any particular race of people, but opened our gates to the world, and said for all men who wished to be free to come to us and they would be welcome.

We said this independence is not merely for us, a selfish thing for our own private use, but for everybody to whom we confided the means of extending it.

"These were grim days, the days of '76. These gentlemen did not attach their names to the Declaration of Independence on this table expecting a holiday the next day. The Fourth of July was not a holiday. They attached their signatures to that document, knowing, if they failed, the extreme likelihood was that every one would hang for the failure. They were committing treason in the interest of three million people in America, and all the rest of the world was against them. All the rest of the world smiled with a cynical incredulity at the audacious undertaking. Do you think these gentlemen, if they could see this great nation, would regard that they had done anything to make themselves unpopular and to draw the gaze of the world in astonishment and condescending surprise?

"Every idea has got to be started by somebody and it is a lonely thing to start anything. Yet you have got to start it if there is any man's blood in you, and if you love the country that you are pretending to work for. I am sometimes very

much interested in seeing gentlemen supposing that popularity is the way to success in America. The way to popularity in America is to show that you are not afraid of anybody except God and his judgment. If I did not believe that, I would not believe that judgment would be the last and final judgment in the minds of men, as well as at the tribunal of God; I could not believe in popular government. But I do believe these things, and, therefore, I earnestly believe in the democracy, not only of America, but in the power of an awakened people, to govern and control its own affairs. So it is very inspiring to come to this that may be called the original fountain of liberty and independence of America, and take these drafts of patriotic feelings which seem to renew the very blood in a man's veins.

"What other great people, I ask, has devoted itself to this exalted ideal? To what other nation can you look for instant sympathy that thrills the whole body politic when men anywhere are fighting for their rights? I don't know that there will ever be another Declaration of Independence, a statement of grievances of mankind, but I believe if any such document is ever drawn, it will be drawn in the spirit of the American Declara-

tion of Independence, and that America has lifted the light that will shine unto all generations and guide the feet of mankind to the goal of justice, liberty, and peace."

From Woodrow Wilson's address at Independence Hall, Philadelphia, Pa., July 4, 1914.

OUR DUTY TO THE DEFENDERS OF THE UNION

"A peculiar privilege came to the men who fought for the Union. There is no other civil war in history, ladies and gentlemen, the stings of which were removed before the men who did the fighting passed from the stage of life. So that we owe these men something more than a legal re-establishment of the Union. We owe them the spiritual re-establishment of the Union as well; for they not only re-united states, they re-united the spirits of men. That is their unique achievement, unexampled anywhere else in the annals of mankind, that the very men whom they overcame in battle join in praise and gratitude that the Union was saved. There is something peculiarly beautiful and peculiarly touching about that. Whenever a man who is still trying to devote himself to the service of the nation comes into a presence like this, or into a place like

this, his spirit must be peculiarly moved. A mandate is laid upon him which seems to speak from the very graves themselves. I can never speak in praise of war, ladies and gentlemen; you would not desire me to do so. But there is this peculiar distinction belonging to the soldier, that he goes into an enterprise out of which he himself cannot get anything at all. He is giving everything that he hath, even his life, in order that others may live, not in order that he himself may obtain gain and prosperity. And just so soon as the tasks of peace are performed in the same spirit of self-sacrifice and devotion, peace societies will not be necessary. The very organization and spirit of society will be a guaranty of peace.

"Therefore, this peculiar thing comes about, that we can stand here and praise the memory of these soldiers in the interest of peace. They set us the example of self-sacrifice, which if followed in peace will make it unnecessary that men should follow war any more.

"We are reputed to be somewhat careless in our discrimination between words in the use of the English language, and yet it is interesting to note that there are some words about which

we are very careful. We bestow the adjective 'great' somewhat indiscriminately. A man who has made conquest of his fellow-men for his own gain may display such genius in war, such uncommon qualities of organization and leadership that we may call him 'great'; there is a word which we reserve for men of another kind and about which we are very careful: that is the word 'noble.' We never call a man 'noble' who serves only himself; and if you will look about through all the nations of the world upon the statues that men have erected—upon the inscribed tablets where they have wished to keep alive the memory of the citizens whom they desire most to honor—you will find that almost without exception they have erected the statue to those who had a splendid surplus of energy and devotion to spend upon their fellow-men. Nobility exists in America without patent. We have no House of Lords, but we have a house of fame to which we elevate those who are the noble men of our race, who, forgetful of themselves, study and serve the public interest, who have the courage to face any number and any kind of adversary, to speak what in their hearts they believe to be the truth.

"We admire physical courage, but we admire above all things else moral courage. I believe that soldiers will bear me out in saying that both come in time of battle. I take it that the moral courage comes in going into battle, and the physical courage in staying in. There are battles which are just as hard to go into and just as hard to stay in as the battle of arms; and if the man will but stay and think never of himself, there will come a time of grateful recollection when men will speak of him not only with admiration but with that which goes deeper, with affection and with reverence.

"So that this flag calls upon us daily for service, and the more quiet and self-denying the service, the greater the glory of the flag. We are dedicated to freedom, and that freedom means the freedom of the human spirit. All free spirits ought to congregate on an occasion like this to do homage to the greatness of America as illustrated by the greatness of her sons.

"It has been a privilege, ladies and gentlemen, to come and say these simple words, which I am sure are merely putting your thought into language. I thank you for the opportunity to lay

this little wreath of mine upon these consecrated graves."

From Woodrow Wilson's address at Arlington, May 30, 1914.

THE NEW ERA

"A year and a half ago our thought would have been almost altogether of great domestic questions. They are many and of vital consequence. We must and shall address ourselves to their solution with diligence, firmness, and self-possession, notwithstanding we find ourselves in the midst of a world disturbed by great disaster and ablaze with terrible war; but our thought is now inevitably of new things about which formerly we gave ourselves little concern. We are thinking now chiefly of our relations with the rest of the world, not our commercial relations—about those we have thought and planned always—but about our political relations, our duties as an individual and independent force in the world to ourselves, our neighbors, and the world itself.

"Our principles are well known. It is not necessary to avow them again. We believe in political liberty and founded our great Govern-

ment to obtain it, the liberty of men and of peoples—of men to choose their own lives and of peoples to choose their own allegiance.

"Our ambition, also, all the world has knowledge of. It is not only to be free and prosperous ourselves, but also to be the friend and thoughtful partisan of those who are free or who desire freedom the world over. If we have had aggressive purposes and covetous ambitions, they were the fruit of our thoughtless youth as a nation, and we have put them aside. We shall, I confidently believe, never again take another foot of territory by conquest. We shall never in any circumstances seek to make an independent people subject to our dominion; because we believe, we passionately believe, in the right of every people to choose their own allegiance and be free of masters altogether.

"For ourselves we wish nothing but the full liberty of self-development; and with ourselves in this great matter we associate all the peoples of our own hemisphere. We wish not only for the United States but for them the fullest freedom of independent growth and action, for we know that throughout this hemisphere the same aspirations are everywhere being worked out, under

diverse conditions, but with the same impulse and ultimate object.

"All this is very clear to us and will, I confidently predict, become more and more clear to the whole world as the great processes of the future unfold themselves."

From Woodrow Wilson's Address before the Manhattan Club of New York, November 4, 1915.

THE AMERICAN FLAG

"As I look at that flag, I seem to see many characters upon it which are not visible to the physical eye. There seem to move ghostly visions of devoted men who, looking to that flag, thought only of Liberty, of the Rights of Mankind, of the mission of America to show the way to the world for the realization of those rights.

"And every grave of every brave man in the country would seem to have upon it the colors of the flag, if he were a true American; seem to have upon it that stain of red, which means the true pulse of blood; that patch of pure white, which means the peace of the soul.

"And then there seems to rise over the graves of those men and to hallow their memories that blue space of the skies in which swim those stars

which exemplify for us the glorious galaxy of the States of the Union, which stand together to vindicate the Rights of Mankind."

From Woodrow Wilson's campaign in the West on Military Preparedness.

THE MEANING OF THE FLAG

"I sometimes wonder why men take this flag and flaunt it. If I am respected, I do not have to demand respect. If I am feared, I do not have to ask for fear. If my power is known, I do not have to proclaim it. I do not understand the temper, neither does this Nation understand the temper, of men who use this flag boastfully.

"This flag for the future is meant to stand for the just use of undisputed national power. No nation is ever going to doubt our power to assert its right, and we should lay it to heart that no nation shall ever henceforth doubt our purpose to put it to the highest uses to which a great emblem of justice and government can be put.

"It is henceforth to stand for self-possession, for dignity, for the assertion of the right of one nation to serve the other nations of the world—an emblem that will not condescend to be used

for the purposes of aggression and self-aggrandizement; that is too great to be debased by selfishness; that has vindicated its right to be honored by all nations of the world and feared by none who do righteousness.

"Is it not a proud thing to stand under such an emblem? Would it not be a pitiful thing ever to make apology and explanation of anything that we ever did under the leadership of this flag carried in the van? Is it not a solemn responsibility laid upon us to lay aside bluster, and assume that much greater thing, the quietude of genuine power? So it seems to me that it is my privilege and right as the temporary representative of a great nation that does what it pleases with its own affairs, to say that we please to do justice and assert the rights of mankind wherever this flag is unfurled."

From Woodrow Wilson's Address on Flag Day, June, 1915.

LET NO MAN CREATE DIVISION

"The only thing within our own borders that has given us grave concern in recent months has been that voices have been raised in America professing to be the voices of Americans which

were not indeed and in truth American, but which spoke alien sympathies, which came from men who loved other countries better than they loved America, men who were partisans of other causes than that of America and had forgotten that their chief and only allegiance was to the great Government under which they live. These voices have not been many, but they have been very loud and very clamorous. They have proceeded from a few who were bitter and who were grievously misled.

"America has not opened its doors in vain to men and women out of other nations. The vast majority of those who have come to take advantage of her hospitality have united their spirits with hers as well as their fortunes. These men who speak alien sympathies are not their spokesmen, but are the spokesmen of small groups whom it is high time that the nation should call to a reckoning. The chief thing necessary in America in order that she should let all the world know that she is prepared to maintain her own great position is that the real voice of the nation should sound forth unmistakably and in majestic volume, in

the deep unison of a common, unhesitating national feeling. I do not doubt that upon the first occasion, upon the first opportunity, upon the first definite challenge, that voice will speak forth in tones which no man can doubt, and with commands which no man dare gainsay or resist.

"May I not say, while I am speaking of this, that there is another danger that we should guard against? We should rebuke not only manifestations of racial feeling here in America where there should be none, but also every manifestation of religious and sectarian antagonism. It does not become America that within her borders where every man is free to follow the dictates of his conscience and worship God as he pleases, men should raise the cry of church against church. To do that is to strike at the very spirit and heart of America.

"We are a God-fearing people. We agree to differ about methods of worship, but we are united in believing in Divine Providence and in worshiping the God of Nations. We are the champions of religious right here and everywhere that it may be our privilege to give it our countenance and support. The Govern-

ment is conscious of the obligation and the nation is conscious of the obligation. Let no man create divisions where there are none."

WHAT AMERICA HAS TO FEAR

"Nobody seriously supposes, gentlemen, that the United States needs to fear an invasion of its own territory. What America has to fear, if she has anything to fear, are indirect, roundabout, flank movements upon her regnant position in the western hemisphere.

"Are we going to open those gates, or are we going to close them? For they are the gates to the hearts of our American friends to the south of us, and not gates to the ports.

"Win their spirits and you have won the only sort of leadership and the only sort of safety that America covets. We must all of us think, from this time out, gentlemen, in terms of the world, and must learn what it is that America has set out to maintain as a standard-bearer for all these who love liberty and justice and the righteousness of political action.

"But there are rights higher than either of those, higher than the rights of individual Ameri-

cans, outside of America, higher and greater than the rights of trade and of commerce. I mean the rights of mankind. We have made ourselves the guarantors of the rights of national sovereignty and of popular sovereignty on this side of the water in both continents in the Western Hemisphere. You would be ashamed, as I would be ashamed, to withdraw one inch from that handsome guarantee, for it is a handsome one. For we have nothing to make by it unless it be that we are to make friendships by it, and friendships are the best usury of any sort of business.

"So far as dollars and cents and material advantage are concerned, we have nothing to make by the Monroe Doctrine. We have nothing to make by allying ourselves with the other nations of the Western Hemisphere in order to see to it that no man from outside, no Government from outside, no nation from outside attempts to assert any kind of sovereignty or undue influence over the peoples of this continent.

"America knows that the only thing that sustains the Monroe Doctrine and all the inferences that flow from it is her own moral and physical force. The Monroe Doctrine has never been formally accepted by any international agreement.

The Monroe Doctrine merely rests upon the statement that the United States will do certain things if certain things happen. So nothing sustains the honor of the United States in respect of these long-cherished and long-admired promises except her own moral and physical force.

From Woodrow Wilson's campaign in the West on Military Preparedness.

OUR NEUTRALITY MISUNDERSTOOD

"I know that on the other side of the water there has been a great deal of cruel misjudgment with regard to the reasons why America has remained neutral. Those who look at us at a distance, my fellow citizens, do not feel the strong pulses of ideal principle that are in us. They do not feel the conviction of America that her mission is a mission of peace and that righteousness cannot be maintained as a standard in the midst of arms. They do not realize that back of all our energy, by which we have built up great material wealth and created great material power, we are a body of idealists, much more ready to lay down our lives for a thought than for a dollar.

"I suppose some of them think that we are

holding off because we can make money while others are dying—the most cruel misunderstanding that any nation has had to face, so wrong that it seems almost useless to try to correct it, because it shows that the very fundamentals of our life are not comprehended and understood.

"I need not tell my fellow-citizens that we have not held off from this struggle from motives of self-interest, unless it be considered self-interest to maintain our position as the trustees of the moral judgments of the world. We have believed, and I believe, that we can serve even the nations at war better by remaining at peace and holding off from this contest than we could possibly serve them in any other way.

"Your interests, your sympathies, your affections may be engaged on the one side or the other, but no matter which side they are engaged on, your duty to your affections in that matter is to stand off and not let this nation be drawn into the war.

"Somebody must keep the great stable foundations of the life of nations untouched and undisturbed; somebody must keep the great economic processes of the world of business alive; somebody must see to it that we stand ready to repair

the enormous damage and the incalculable losses which will result from this war and which it is hardly credible could be repaired if every great nation in the world were drawn into this contest.

From Woodrow Wilson's campaign in the West on Military Preparedness.

THE LESSON OF THE WAR

"If this war has accomplished nothing else for the benefit of the world, it has at least disclosed a great moral necessity, and set forward the thinking of the statesmen of the world by a whole age. Repeated utterances of the leading statesmen of most of the great nations now engaged in war have made it plain that their thought has come to this: That the principle of public right must henceforth take precedence over the individual interests of particular nations, and that the nations of the world must in some way band themselves together to see that that right prevails as against any sort of selfish aggression; that henceforth alliance must not be set up against alliance; understanding against understanding; but that there must be a common agreement for a common object,

and that at the heart of that common object must lie the inviolable rights of peoples and of mankind.

"The nations of the world have become each other's neighbors. It is to their interest that they should understand each other. In order that they may understand each other it is imperative that they should agree to cooperate in a common cause, and that they should so act that the guiding principle of that common cause shall be even-handed and impartial justice.

"This is undoubtedly the thought of America. This is what we ourselves will say when there comes proper occasion to say it. In the dealings of nations with one another arbitrary force must be rejected and we must move forward to the thought of the modern world, the thought of which peace is the very atmosphere. That thought constitutes a chief part of the passionate conviction of America.

"We believe these fundamental things:

"First, that every people has a right to choose the sovereignty under which they shall live. Like other nations, we have ourselves, no doubt, once and again offended against that principle when for a little while controlled by selfish

passion, as our franker historians have been honorable enough to admit; but it has become more and more our rule of life and action.

"Second, that the small states of the world have the right to enjoy the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon.

"And, third, that the world has a right to be free from every disturbance of its peace that has its origin in aggression and disregard of the rights of peoples and nations.

"So sincerely do we believe in these things that I am sure that I speak the mind and wish of the people of America when I say that the United States is willing to become a partner in any feasible association of nations formed in order to realize these objects and make them secure against violation.

"There is nothing that the United States wants for itself that any other nation has. We are willing, on the contrary, to limit ourselves along with them to a prescribed course of duty and respect for the rights of others, which will check any selfish passion of our own, as it will check any aggressive impulse of theirs.

"If it should ever be our privilege to suggest or initiate a movement for peace among the nations now at war, I am sure that the people of the United States would wish their government to move along these lines:

"First, such a settlement with regard to their own immediate interests as the belligerents may agree upon. We have nothing material of any kind to ask for ourselves, and are quite aware that we are in no sense or degree parties to the present quarrel. Our interest is only in peace and its future guaranty.

"Second, a universal association of the nations to maintain the inviolate security of the highway of the seas for the common and unhindered use of all the nations of the world, and to prevent any war begun either contrary to treaty, covenants, or without warning and full submission of the causes to the opinion of the world—a virtual guaranty of territorial integrity and political independence.

"But I did not come here, let me repeat, to discuss a program. I came only to avow a creed and give expression to the confidence I feel that the world is even now upon the eve of a great consummation, when some common

force will be brought into existence which shall safeguard right as the first and most fundamental interest of all peoples and all governments, when coercion shall be summoned not to the service of political ambition or selfish hostility, but to the service of a common order, a common justice, and a common peace.

"God grant that the dawn of that day of frank dealing and of settled peace, concord, and cooperation may be near at hand!"

From an Address of Woodrow Wilson, May 27, 1916, at the banquet of the League to Enforce Peace.

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